

ARTICLE 2. LICENSES AND APPROVAL OF ASSOCIATED EQUIPMENT

Rule 1. Riverboat Owner's License

68 IAC 2-1-1 Riverboat owner's license required

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-6-1

Sec. 1. (a) The following definitions apply throughout this rule:

(1) "Applicant" means an applicant for a riverboat owner's license.

(2) "Certificate of suitability" means a written document issued by the executive director that indicates an applicant has been chosen for licensure if the applicant meets the requirements set forth in section 5(e) of this rule. A certificate of suitability is valid for a period of one hundred eighty (180) days unless extended by the commission.

(3) "Interim compliance period" means the period of time between the issuance of a certificate of suitability and the issuance of a permanent riverboat owner's license or the issuance of a notice of denial.

(4) "Regular riverboat excursion" means any excursion which takes place after receipt of the riverboat owner's license, except for any practice excursion.

(b) No one may operate a riverboat gambling operation without holding a riverboat owner's license.

(c) No person may simultaneously own an interest in more than two (2) riverboat owner's licenses. A person may simultaneously own up to one hundred percent (100%) in one (1) riverboat owner's license and no more than ten percent (10%) in a second owner's license. (*Indiana Gaming Commission; 68 IAC 2-1-1; filed Nov 10, 1994, 11:00 a.m.: 18 IR 482; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-2 Application fees

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-6

Sec. 2. (a) All fees shall be submitted to the commission in the form of a certified check or cashier's check made payable to the state of Indiana.

(b) An applicant for an owner's license must pay a nonrefundable application fee in the amount of fifty thousand dollars (\$50,000) with Part I of the riverboat owner's license application.

(c) The application fee shall be utilized to conduct the background investigation of an applicant. An investigation fee may be assessed to the extent that the cost of the background investigation relating to the applicant exceeds the application fee set forth in this rule. The applicant shall be advised by the executive director in writing that an investigation fee is required. The letter shall direct the applicant to remit an amount which the executive director has determined is necessary to complete the investigation. Once an applicant is directed to submit an investigation fee in excess of the fifty thousand dollar (\$50,000) fee set forth in this rule, the investigative team conducting the investigation on that applicant shall not finalize the report on the applicant's suitability for licensure nor submit that report to the commission for consideration until the investigation fee is paid by the applicant.

(d) In the event an assessed investigation fee exceeds the final cost of the investigation, the excess investigation fee shall be refunded to the applicant. In no event shall any portion of a remitted application fee be refunded.

(e) If an applicant is allowed to withdraw its application or its application is denied before the background investigation is completed, the balance of the nonrefundable application fee shall be applied to the overall cost of the investigative process. (*Indiana Gaming Commission; 68 IAC 2-1-2; filed Nov 10, 1994, 11:00 a.m.: 18 IR 482; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-3 Riverboat owner's license fees

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-6

Sec. 3. (a) All fees shall be submitted to the commission in the form of a certified check or cashier's check made payable to the state of Indiana.

(b) The riverboat licensee shall remit the initial license fee of twenty-five thousand dollars (\$25,000) after complying with the conditions set forth in section 5(e) of this rule. The owner's license will not be issued until the twenty-five thousand dollar (\$25,000)

license fee has been received by the commission. The initial owner's license is valid for a period of five (5) years. After the expiration of the initial owner's license, the license may be renewed annually upon compliance with section 9 of this rule.

(c) If the commission revokes the initial owner's license during the first four (4) years after issuance of the license, a pro rata share of the initial license fee may be credited toward any penalty assessed against the riverboat licensee for a violation of the Act or this title which resulted in the revocation of the riverboat owner's license. (*Indiana Gaming Commission; 68 IAC 2-1-3; filed Nov 10, 1994, 11:00 a.m.: 18 IR 482; errata filed Nov 14, 1994, 3:45 p.m.: 18 IR 531; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-4 Applications

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-5-1; IC 4-33-6

Sec. 4. (a) An applicant for a riverboat owner's license must complete and submit the appropriate forms prescribed by the commission.

(b) Application procedures shall be as follows:

(1) An applicant is seeking a privilege and assumes and accepts any and all risk of adverse publicity, notoriety, embarrassment, criticism, or other action or financial loss that may occur in connection with the application process or the public disclosure of information requested. The applicant expressly waives any claim for damages that may result from the application process.

(2) Any misrepresentation or omission made with respect to an application may be grounds for denial of the application.

(3) An applicant must submit nine (9) bound and three (3) unbound copies of Parts I and II of the riverboat owner license application.

(4) An applicant must submit three (3) bound and two (2) unbound copies of the Personal Disclosure Form 1 under 68 IAC 2-3-4(d) that have been completed by the substantial owners, key persons, or other persons as deemed necessary by the commission to allow the commission to ensure the applicant meets the statutory criteria for licensure set forth in the Act and this title.

(5) An application shall be deemed filed when the completed application forms, including all required documents, materials, photographs, and the application fee, have been submitted and the commission has stamped the application as received. A background investigation will not be initiated by the commission until a complete application is received by the commission.

(6) The completed applications must be filed in the commission's office in Indianapolis, Indiana.

(7) The applications must be filed prior to the expiration of appropriate deadlines established and published by the commission.

(8) An applicant is under a continuing duty to disclose any changes in the information submitted to the commission.

(9) An applicant may make only clerical corrections to the application after the deadline date for filing Part II of the riverboat owner license application has passed. After that date, the applicant must submit a request to the commission to make a substantive amendment along with the exact substantive amendment. The commission shall then determine whether the proposed substantive amendment will be allowed.

(c) Requirements for dock site and navigable waterway shall be as follows:

(1) An applicant must specify the dock at which the riverboat will be based and the navigable waterway upon which the riverboat will operate.

(2) An applicant who specified a dock site in a county or city in which the referendum passed shall not amend the application to specify a dock site in a different city or county.

(3) An applicant who specified a dock site in a county or city in which the referendum was defeated may amend its application on one (1) occasion to specify a dock site in a county or city where the referendum was successful or in which a referendum has not been held. An applicant must submit a nonrefundable fee of ten thousand dollars (\$10,000) to amend its dock site. The amendment must be submitted before the deadline for filing Part I of the application for the city or county the applicant seeks to specify as a home dock site has expired.

(d) An applicant that changes from one (1) form of legal entity to another form of legal entity is a new applicant. To effectuate a change in the form of legal entity, the applicant must submit a new Part I of the application prior to the expiration of the appropriate deadline, and an additional nonrefundable fifty thousand dollar (\$50,000) application fee pursuant to section 2 of this rule.

(e) Parts I and II of the riverboat owner's license application shall require that the applicant submit the following information and documents on forms prescribed by the commission:

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- (1) The information specified in IC 4-33-5-1.
 - (2) Federal identification number, Indiana taxpayer identification number, or Social Security number.
 - (3) Name, address, and telephone number of the applicant's contact person.
 - (4) Background and skills of the applicant's key persons.
 - (5) Civil litigation history of the applicant, the applicant's key persons, and the substantial owners.
 - (6) Detailed organizational and operation plans for the riverboat gambling operation.
 - (7) Estimated start-up costs, including the cost of riverboat construction and retrofitting.
 - (8) A description of the support facilities.
 - (9) A description of the accessibility of patrons to the docking site and the volume of traffic those means can sustain.
 - (10) A description of the applicant's plan for providing foods, beverages, and other concessions, and a list of additional licenses which the applicant will be required to obtain.
 - (11) A list of identified suppliers of gaming equipment as well as maintenance and repair services for that equipment.
 - (12) A statement detailing plans for extending credit and debt collection.
 - (13) A statement concerning the capitalization of the proposed riverboat gambling operation, including the amount and source of debt and equity involved.
 - (14) Any agreements, covenants, or options to purchase any land adjacent to or within three (3) miles of the actual or the proposed docking site.
 - (15) A description of the applicant's or the applicant's substantial owner's existing or pending applications for grants, tax relief, or low interest loans given or guaranteed by any governmental entity.
 - (16) Any oral or written agreements entered on behalf of the applicant and any governmental entity or subdivision thereof in Indiana as they pertain to the operation of the riverboat gambling operation.
 - (17) A description of the types of insurance the applicant has or will obtain, including, but not limited to, the following:
 - (A) Liability.
 - (B) Casualty.
 - (C) Capital loss.
 - (D) Fire.
 - (E) Theft.
 - (F) Worker's compensation insurance.
 - (18) A description of nongaming riverboats or river vessels which the applicant operates.
 - (19) A description of the applicant's employment plan relating to the riverboat gambling operation, including the training of employees.
 - (20) A list of the names, business addresses, and business telephone numbers of each individual who will be required to submit a Personal Disclosure Form 1.
 - (21) A list of the names and titles of the individuals who prepared Parts I and II of the riverboat owner's license application.
 - (22) Confidential trade secrets, including, but not limited to, the applicant's security and surveillance plans.
 - (23) Confidential financial information.
 - (24) Confidential taxpayer information.
 - (25) Appropriate waivers and affidavits.
 - (26) Any other information requested by the commission that is relevant to the statutory criteria necessary for issuing licenses set forth in the Act and this title.
- (f) An application for riverboat owner's licenses may not be withdrawn without leave of the commission.
- (g) An applicant's key persons and substantial owners must submit a Personal Disclosure Form 1. The Personal Disclosure

Form 1 shall require that the key persons and substantial owners submit the information and documents set forth in this title. The applicant's substantial owners must submit the Personal Disclosure Form 1 at the time Part II of the riverboat owner's license application is filed. The applicant's key persons and such other persons the commission directs under subsection (b)(4) must file the Personal Disclosure Form 1 at the time directed by the commission. (*Indiana Gaming Commission; 68 IAC 2-1-4; filed Nov 10, 1994, 11:00 a.m.: 18 IR 483; filed Dec 11, 1995, 4:30 p.m.: 19 IR 1019; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-5 Licensing procedures

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-4-1; IC 4-33-5-1; IC 4-33-6-1; IC 5-3

Sec. 5. (a) Except to the extent the commission may require different or additional procedures, an applicant for a riverboat owner's license shall be subject to the following procedures prior to licensing:

- (1) Application.
- (2) Background investigation, including economic development analysis of the applicant by the commission.
- (3) Public hearing.
- (4) Action by the commission.
- (5) Issuance of certificate of suitability.
- (6) Interim compliance period.
- (7) Issuance of riverboat owner's license.

(b) Requirements for a public hearing and action by the commission shall be as follows:

(1) After the appropriate background investigations by the commission have been completed, the commission shall conduct a public hearing.

(2) The commission shall publish the date, time, and place of the public hearing in the following manner:

(A) Notice of the public hearing shall be posted at the commission office in Indianapolis, Indiana at least two (2) weeks prior to the public hearing.

(B) Notice of the public hearing shall be published in appropriate newspapers under IC 5-3 at least two (2) times, at least one (1) week apart, and with the second publication being made at least two (2) days before the event.

(3) The public hearing shall be conducted in the following manner:

(A) The chair shall establish the order of the presentations and announce the amount of time that each applicant will be allotted. The order of presentation and other information may be published with the notice setting the date, time, and place of the public hearing.

(B) The appropriate applicant shall present its proposal for a riverboat gambling operation to be docked in the appropriate county or city within the time period established.

(C) The commission may question the applicant on any aspect of its application and presentation that the commission determines to be relevant to the issue of licensure.

(D) An applicant may be recalled by the commission at any time during the public hearing.

(E) After all of the applicants have made presentations, the commission shall allow a reasonable time to hear comments about any of the applicants and proposals from governmental entities, agencies, and the public at large. The chair shall announce the manner in which these comments may be presented prior to the initiation of this section of the public hearing.

(F) The commission may, at its discretion, discuss the applications, presentations, reports, and other materials, deliberate, and issue its decision immediately after the conclusion of the presentations and public comments or it may recess and reconvene to deliberate and issue its decision after the hearing has been transcribed and the transcriptions received by the commission.

(G) The decision of the commission shall be reduced to writing and signed by the commission members. The commission shall direct the executive director to notify the appropriate applicants, in writing, of the decision reached by the commission.

(H) No application shall be denied until the final license for that county or city has been issued under IC 4-33-6-1. Once the final license for a county or city has been issued, the commission shall direct the executive director to issue notices of denial to the applicant or applicants not chosen for licensure.

(4) The public hearing shall be recorded, at the direction of the commission, stenographically or by such other means as to adequately ensure the preservation of the commission's public hearing. A transcript completed by a reporter or stenographer hired by the commission is the official record of the commission's public hearing.

(c) The applicant must present evidence that it meets or possesses the following standards, qualifications, or criteria to be issued a riverboat owner's license:

- (1) The applicant must possess the qualifications set forth in the Act.

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- (2) The applicant or the applicant's substantial owner must possess a level of skill, experience, or knowledge necessary to conduct a riverboat gambling operation.
- (3) The positive economic impact that the applicant's plan will have on the entire state of Indiana.
- (4) The positive impact of any endorsements made by the local government entities.
- (5) The criminal history of the applicant and the applicant's substantial owners.
- (6) The applicant and the applicant's substantial owners must be of good moral character and reputation.
- (7) Whether the applicant or the applicant's substantial owners has had a gaming or other license revoked, suspended, restricted, or terminated or if renewal of a license was denied.
- (8) The applicant and the applicant's substantial owners must be in substantial compliance with state and federal tax laws.
- (9) Any other standard the commission determines is necessary to ensure the applicant meets the criteria for licensure set forth in the Act and this title.
- (d) The certificate of suitability shall be issued as follows:
 - (1) The commission shall direct the executive director to issue a certificate of suitability after a decision has been issued in accordance with subsection (b).
 - (2) The certificate of suitability is valid for a period of one hundred eighty (180) days unless extended by the commission.
 - (3) A prospective licensee must direct a request for an extension of the certificate of suitability in a letter directed to the executive director.
- (e) During the interim compliance period, the prospective riverboat licensee shall do the following:
 - (1) Obtain a permit to develop the riverboat gambling operation from the United States Army Corps of Engineers.
 - (2) Obtain a valid certificate of inspection from the United States Coast Guard for the vessel on which the riverboat gambling operation will be conducted temporarily or permanently.
 - (3) Apply for and receive the appropriate permit or certificate from the Indiana alcoholic beverage commission and other appropriate state and federal agencies.
 - (4) Receive all permits, certificates, and approvals for the riverboat and support facilities necessary to develop and conduct the riverboat gambling operation, including, but not limited to, fire marshal permits, health permits, building permits, and zoning permits. Permits for long term developments that are part of the riverboat support facilities do not have to be obtained.
 - (5) Close the financing necessary to complete the development of the riverboat gambling operation.
 - (6) Post a bond in accordance with section 7 of this rule.
 - (7) Obtain the insurance deemed necessary by the commission under section 8 of this rule.
 - (8) Receive licensure for electronic gaming devices and other gaming equipment under 68 IAC 2-6.
 - (9) Submit an emergency response plan under 68 IAC 8-2.
 - (10) Take any other action the commission deems necessary to ensure the prospective riverboat licensee will be able to conduct a riverboat gambling operation that complies with the Act and this title.
- (f) Requirements for the issuance of a permanent riverboat owner's license shall be as follows:
 - (1) The riverboat licensee shall advise the commission in writing once it has complied with subsection (e).
 - (2) When the commission is satisfied that the riverboat licensee has in fact complied with subsection (e), it shall direct the executive director to issue a permanent riverboat owner's license.
 - (3) The permanent riverboat owner's license shall meet the specifications set forth in section 6 of this rule.
 - (4) The commission may place restrictions, conditions, or requirements on the permanent riverboat owner's license. These restrictions, conditions, or requirements may include, but are not limited to, the following:
 - (A) That the riverboat licensee comply with aspects of its proposal within specific time frames.
 - (B) That the riverboat licensee begin operation at a permanent dock within a specified period, not to exceed one (1) year.
 - (C) That the riverboat licensee post a new or additional bond in accordance with section 7 of this rule, if necessary.
 - (D) That the riverboat gambling operation undergo and successfully complete the appropriate number and type of practice gaming excursions during a forty-eight (48) hour period to ensure that the riverboat gambling operation is conducted within the parameters of the Act and this title. The executive director may determine that the riverboat gambling operation undergo additional practice gaming excursions.
 - (5) The riverboat licensee shall post a bond in accordance with section 7 of this rule.

(Indiana Gaming Commission; 68 IAC 2-1-5; filed Nov 10, 1994, 11:00 a.m.: 18 IR 484; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)

68 IAC 2-1-6 Riverboat owner's license requirements; display of license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-6

Sec. 6. (a) The certificate of suitability and permanent riverboat owner's license shall be on forms prescribed by the commission which meet the following requirements:

- (1) Display the applicant's name and business address.
- (2) Display the dock at which the riverboat is based and the navigable waterway on which the riverboat will operate.
- (3) Display the riverboat owner's license number or certificate of suitability number assigned by the commission.
- (4) Display the signature of the chair and executive director of the commission.
- (5) Display the date the certificate of suitability or the riverboat owner's license was issued and the date that the certificate or license will expire.
- (6) Any other information the commission deems necessary to identify the riverboat licensee, the dock site, and any conditions or restrictions that are placed on the riverboat owner's license.
- (b) A riverboat licensee shall post its owner's license at all times in a conspicuous place on the riverboat.

(c) The certificate of suitability and the riverboat owner's license shall remain the property of the commission at all times. The certificate of suitability or the riverboat owner's license may be revoked, suspended, canceled, or restricted by the commission under 68 IAC 13.

(d) A fee of ten dollars (\$10) shall be paid to the commission for any necessary replacement of the certificate of suitability or the riverboat owner's license. The fee shall be assessed each time a riverboat licensee obtains a replacement certificate of suitability or riverboat owner's license. (*Indiana Gaming Commission; 68 IAC 2-1-6; filed Nov 10, 1994, 11:00 a.m.: 18 IR 486; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-7 Bond

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-6-9

Sec. 7. (a) A riverboat licensee must post a bond with the commission no less than sixty (60) days before the riverboat licensee begins regular riverboat excursions.

- (b) The bond must be in a form set forth in IC 4-33-6-9(b).
- (c) The bond shall meet the following requirements:
 - (1) A surety bond must meet both of the following requirements:
 - (A) Be with a surety company that is approved by the commission.
 - (B) Be guaranteed by a guarantor that is approved by the commission.
 - (2) An irrevocable letter of credit must be issued, held, and negotiated under the "Uniform Custom and Practice for Documentary Credits", 1993 Revision, International Chamber of Commerce Publication No. 500.
 - (3) If the riverboat licensee plans to post a surety bond, negotiable securities, or irrevocable letter of credit, the licensee must submit the bond proposal at least thirty (30) days prior to the time the bond will be posted to allow the commission sufficient time to investigate the surety company, guarantor, or banking institution.
 - (4) The bond shall be approved by the commission.
 - (5) The bond must be in an amount that the commission determines adequately reflects the amount that a local community will expend for infrastructure and any other facilities associated with riverboat gambling. The commission may request input from the appropriate local community regarding the amount the local community will expend.
 - (6) The bond must be payable to the commission as obligee for use in payment of the riverboat licensee's financial obligations to the local community, the state, and any other parties that the commission determines, after a review of the applicant's proposal, will be aggrieved by a failure of the riverboat licensee to comply with its obligations under the Act and this title.
 - (7) The bond shall state that it may be exercised by the commission if the riverboat licensee fails to comply with its obligation under IC 4-33 or this title.
 - (8) The bond shall state that it shall run continuously and remain in full force and effect during the period for which the riverboat owner's license was awarded under IC 4-33-6-9.

- (d) A new bond may be required or allowed under the following conditions:
- (1) The commission determines that a new bond is required after a hearing that meets the following requirements:
 - (A) The riverboat licensee receives a five (5) day written notice of the date, time, place, and nature of the hearing from the commission through the executive director.
 - (B) The hearing is conducted before a quorum of the commission members.
 - (C) The commission determines that the bond posted is insufficient and directs the executive director of the commission to issue a written demand to the riverboat licensee to post a bond in an amount the commission determined to be sufficient after the conclusion of the hearing.
 - (2) The commission may direct the executive director to demand, in writing, that a riverboat licensee post a new bond with satisfactory surety, cash, negotiable securities, or banking institution in the same form and amount under the following conditions:
 - (A) Liability on the old bond is discharged or reduced by judgment rendered, payment made, or any other situation.
 - (B) The commission determines that any surety on the old bond is not satisfactory.
 - (C) The commission determines that the negotiable securities are not satisfactory.
 - (D) The commission determines that the banking institution is not satisfactory.
 - (3) The commission allows the riverboat licensee, at the request of the riverboat licensee, to post a new bond that complies with this section.
 - (4) If the commission determines that a new bond is not satisfactory, it shall cancel the riverboat owner's license.
 - (5) If the commission determines that a new bond is satisfactory, the commission shall release, in writing, the surety on the old bond from any liability that accrues after the effective date of the new bond.
 - (e) A bond is released if the riverboat licensee remains at the dock site for which the riverboat owner's license was granted for the lesser of five (5) years or the date on which the commission grants a riverboat owner's license to another riverboat licensee to operate from the same dock site for which the bond was posted.
 - (f) If a riverboat licensee does not meet the requirements of subsection (e), the licensee forfeits the bond. The proceeds of the bond in default under this rule are paid to the commission. The commission shall use the proceeds of the forfeited bond for the benefit of the local community from which the riverboat operated.
 - (g) The total and aggregate liability of the surety or banking institution on a bond is limited to the amount specified in the bond or irrevocable letter of credit. The continuous nature of the bond shall not be construed as allowing the liability of any surety or banking institution under the bond to accumulate for each successful approval period during which the bond remains in force.
 - (h) A bond filed under this rule is released sixty (60) days after the time has run under subsection (e) and the riverboat licensee submits a written request for release of the bond. (*Indiana Gaming Commission; 68 IAC 2-1-7; filed Nov 10, 1994, 11:00 a.m.: 18 IR 486; filed Jul 3, 1996, 5:00 p.m.: 19 IR 3034; errata filed Oct 23, 1996, 12:00 p.m.: 20 IR 760; filed Jul 10, 2000, 4:48 p.m.: 23 IR 3068; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-8 Insurance

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-4-11

Sec. 8. (a) A riverboat licensee must obtain and maintain insurance in a minimum amount determined by the commission. The riverboat licensee shall obtain and maintain the following types of insurance:

- (1) Liability.
 - (2) Casualty.
 - (3) Capital loss.
 - (4) Fire.
 - (5) Theft.
 - (6) Worker's compensation insurance.
 - (7) Any other type of insurance the commission deems necessary to ensure the riverboat licensee is adequately insured to conduct a riverboat gambling operation.
- (b) After the commission issues a certificate of suitability to an applicant, the commission shall direct the executive director to advise the applicant, in writing, of the amount of insurance which the applicant must obtain and maintain.

(c) If the riverboat licensee fails to maintain the minimum amount of insurance specified in this section, the commission may initiate a disciplinary action against the riverboat licensee. (*Indiana Gaming Commission; 68 IAC 2-1-8; filed Nov 10, 1994, 11:00 a.m.: 18 IR 487; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-9 Renewal of license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-6

Sec. 9. (a) After the expiration of the initial riverboat owner's license, the license must be renewed annually.

(b) The riverboat owner's license will be renewed after the annual five thousand dollar (\$5,000) license fee is paid under section 3 of this rule. The riverboat licensee shall submit the five thousand dollar (\$5,000) renewal fee and a statement indicating an intent to continue the riverboat gambling operation at least thirty (30) days before the expiration of the license.

(c) The commission may refuse to renew a riverboat owner's license if the riverboat licensee no longer meets the requirements set forth in this rule and IC 4-33. (*Indiana Gaming Commission; 68 IAC 2-1-9; filed Nov 10, 1994, 11:00 a.m.: 18 IR 488; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-10 Duty to maintain suitability; duty to disclose; transfer of ownership interest

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-6

Sec. 10. (a) All riverboat licensees have a continuing duty to maintain suitability for licensure. A riverboat owner's 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 of any material change in the information submitted in the application, or any matter which renders the licensee ineligible to hold a riverboat owner's license.

(c) An ownership interest in the riverboat owner's license shall not be transferred unless the transfer complies with 68 IAC 5. (*Indiana Gaming Commission; 68 IAC 2-1-10; filed Nov 10, 1994, 11:00 a.m.: 18 IR 488; errata filed Nov 1, 1995, 8:30 a.m.: 19 IR 353; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-11 Restriction, revocation, or suspension of riverboat owner's license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-6-1; IC 4-33-6-17

Sec. 11. (a) The commission may revoke, restrict, or suspend a riverboat owner's license at any time that the commission determines the riverboat licensee is in violation of this title or IC 4-33, or the commission determines revocation of the riverboat owner's license is in the best interest of Indiana and will protect and enhance the credibility and integrity of riverboat gambling operations.

(b) If the commission determines that a riverboat licensee is in violation of this title or IC 4-33, the commission may initiate a disciplinary proceeding under 68 IAC 13 to revoke, restrict, or suspend the riverboat owner's license or take such other action as the commission deems necessary. (*Indiana Gaming Commission; 68 IAC 2-1-11; filed Nov 10, 1994, 11:00 a.m.: 18 IR 488; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-12 Request for hearing on notice of denial or nonrenewal of riverboat owner's license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-3-23; IC 4-33-6

Sec. 12. (a) Unless specifically stated to the contrary, a notice of denial of a riverboat owner's license application shall not constitute a finding that the applicant is not suitable for licensure.

(b) An applicant who is served with a notice of denial or a riverboat licensee who is served with a notice of nonrenewal under this rule may request a hearing under 68 IAC 7.

(c) If the applicant or riverboat licensee does not request a hearing, the notice of denial or nonrenewal becomes the final order

of the commission. (*Indiana Gaming Commission; 68 IAC 2-1-12; filed Nov 10, 1994, 11:00 a.m.: 18 IR 488; errata filed Nov 1, 1995, 8:30 a.m.: 19 IR 353; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-1-13 Waiver, alteration, or restriction of requirements

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-6

Sec. 13. The commission may waive, alter, or restrict any licensing requirement or procedure if the commission determines that the procedure or requirement is impractical, or burdensome, and such waiver, alteration, or restriction is in the best interest of the public and the gaming industry, and is not outside the technical requirements necessary to serve the purpose of the requirement or procedure. (*Indiana Gaming Commission; 68 IAC 2-1-13; filed Nov 10, 1994, 11:00 a.m.: 18 IR 488; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

Rule 2. Supplier's License

68 IAC 2-2-1 Supplier's license required

Authority: IC 4-33-4-1; IC 4-33-4-2
Affected: IC 4-33-7

Sec. 1. (a) The following definitions apply throughout this rule:

(1) "Applicant" means an applicant for a supplier's license.

(2) "Riverboat license applicant" means an applicant for a riverboat owner's license that has been issued a certificate of suitability under 68 IAC 2-1-5.

(b) An application for a supplier's license shall not be processed by the commission unless the applicant has an agreement or a statement of intent with a riverboat licensee or a riverboat license applicant that the applicant will be supplying the riverboat licensee upon receiving the supplier's license. Nothing in this rule prevents a potential applicant from negotiating, prior to application for licensure, with a riverboat licensee or a riverboat license applicant to supply goods and services to a riverboat licensee once a supplier's license has been obtained.

(c) The following persons or business entities are required to hold a supplier's license:

(1) The gaming operations manager if the manager is a business entity. If the gaming operations manager is an individual, the applicant shall hold an occupational license, Level 1 under 68 IAC 2-3-1. All employees of a gaming operations manager who have any duty, authority, or function relating directly or indirectly to the gaming operation will be required to hold an occupational license in accordance with 68 IAC 2-3-1.

(2) All manufacturers of electronic gaming devices, chips, tokens, cards, dice, roulette wheels, keno balls, keno ball or number selection devices, shuffling devices, and any other equipment that the commission determines directly affects gaming shall be licensed as a supplier. All suppliers of electronic gaming devices, chips, tokens, cards, dice, roulette wheels, keno balls, keno ball or number selection devices, shuffling devices, and any other equipment that the commission determines directly affects gaming shall be manufacturers of said devices.

(3) A supplier of gaming equipment maintenance or repair.

(4) A supplier of security services, security systems, and surveillance systems.

(5) A lessor of a riverboat or dock facilities, or both, unless the lessor of the riverboat or dock facilities, or both, is a county, municipality, or political subdivision.

(6) A supplier of goods or services where payment is calculated on a percentage of a riverboat gambling operation's revenues.

(7) A junketeer.

(8) Any other purveyor of goods or services to a riverboat gambling operation the commission deems necessary to ensure compliance with the Act and this title.

(d) The applicant's key persons, substantial owners, and any other persons deemed necessary to allow the commission to ensure the applicant meets the statutory criteria for licensure set forth in the Act and this title must complete and submit a Personal Disclosure Form 1 under 68 IAC 2-3-1.

(e) A supplier licensee shall continue to maintain suitability for licensure. The supplier licensee is subject to action by the

commission, including, but not limited to, suspension, revocation, restriction, and nonrenewal under the Act and this title.

(f) A supplier licensee shall not distribute gaming supplies and equipment that do not conform to the standards for gaming supplies and equipment set forth in the Act and this title.

(g) Riverboat licensees shall not purchase goods or services covered by this rule from a person who does not hold a supplier's license issued by the commission.

(h) A manufacturer of electronic gaming devices, chips, tokens, cards, dice, roulette wheels, keno balls, keno ball or number selection devices, shuffling devices, or any other equipment that the commission determines directly affects gaming shall not be paid by a riverboat licensee based on a percentage of the revenue received from the use of the gaming equipment or based upon the amount of play or use that the gaming equipment receives. (*Indiana Gaming Commission; 68 IAC 2-2-1; filed Nov 10, 1994, 11:00 a.m.: 18 IR 488; errata filed Nov 1, 1995, 8:30 a.m.: 19 IR 353; filed Oct 22, 1997, 8:45 a.m.: 21 IR 922; errata filed Feb 6, 1998, 10:30 a.m.: 21 IR 2128; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1060*)

68 IAC 2-2-2 Application fees

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-7-1

Sec. 2. (a) All fees shall be submitted to the commission in the form of a certified check or cashier's check made payable to the state of Indiana.

(b) An applicant for a supplier's license must pay a nonrefundable application fee in the amount of five thousand dollars (\$5,000). The application fee must be submitted with the supplier's license application.

(c) The application fee shall be utilized to conduct the background investigation of an applicant. The application fee of an applicant may be increased to the extent that the cost of the background investigation relating to the applicant exceeds the application fee set forth in this rule. The applicant shall be advised by the executive director in writing that an additional application fee is required. The letter shall direct the applicant to remit an amount that the executive director has determined is necessary to complete the investigation. Once an applicant is directed to submit an application fee in excess of the five thousand dollar (\$5,000) fee set forth in this rule, the investigative team conducting the investigation on that applicant shall not finalize the report on the applicant's suitability for licensure nor submit that report to the commission for consideration until the increased fee is paid by the applicant. (*Indiana Gaming Commission; 68 IAC 2-2-2; filed Nov 10, 1994, 11:00 a.m.: 18 IR 489; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-3 Supplier's license fees

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-7-1

Sec. 3. (a) All fees shall be submitted to the commission in the form of a certified check or cashier's check made payable to the state of Indiana.

(b) The supplier licensee shall remit the supplier's license fee of five thousand dollars (\$5,000) upon notification of suitability for licensure in accordance with section 5(e)(1) of this rule. The permanent supplier's license will not be issued until the five thousand dollar (\$5,000) license fee has been received by the commission.

(c) The supplier's license is valid for a period of one (1) year. The supplier's license may be renewed annually upon payment of the five thousand dollar (\$5,000) annual license fee. The supplier's license may be renewed annually upon compliance with section 8 of this rule. (*Indiana Gaming Commission; 68 IAC 2-2-3; filed Nov 10, 1994, 11:00 a.m.: 18 IR 489; filed Dec 11, 1995, 4:30 p.m.: 19 IR 1020; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-4 Supplier's license applications

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-5-1; IC 4-33-7

Sec. 4. (a) An applicant for a supplier's license must complete and submit the required information and written documents on forms prescribed by the commission.

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(b) Application procedures shall be as follows:

(1) An applicant is seeking a privilege and assumes and accepts any and all risk of adverse publicity, notoriety, embarrassment, criticism, or other action or financial loss that may occur in connection with the application process or the public disclosure of information requested. The applicant expressly waives any claim for damages that may result from the application process.

(2) Any misrepresentation or omission made with respect to an application may be grounds for denial of the application.

(3) An applicant must submit five (5) bound and three (3) unbound copies of the supplier's license application and requested materials.

(4) Substantial owners of the applicant must submit a photograph taken within three (3) months of its submission and must be fingerprinted at a time and place designated by the executive director.

(5) The applicant's key persons, substantial owners, and any other persons the commission directs under section 1(d) of this rule shall file a Personal Disclosure Form 1 in accordance with 68 IAC 2-3-4(d).

(6) An application shall be deemed filed when the completed application forms, including all required documents, all personal disclosure forms, materials, photographs, and application fee have been submitted. A background investigation will not be initiated by the commission until a completed application is received by the commission.

(7) The completed applications must be filed in the commission's office in Indianapolis, Indiana.

(8) An applicant is under a continuing duty to disclose any changes in the information submitted to the commission which may effect the commission action on applicant's suitability for licensure.

(c) The supplier's license application shall require that the applicant submit the following information and documents on forms prescribed by the commission:

(1) Name of applicant.

(2) Present and past business address.

(3) Federal identification number, Indiana taxpayer identification number, or Social Security number.

(4) The applicant's inventory list, price list, purchase agreement, and service agreement.

(5) Agreements or negotiations entered into between the applicant and a riverboat licensee or a riverboat license applicant.

(6) The type or classification of goods or services that the applicant will supply riverboat licensees or riverboat license applicants.

(7) Corporate, partnership, and business information regarding the applicant and the applicant's substantial owners.

(8) The applicant's key persons and substantial owners.

(9) A list of the jurisdictions in which the applicant holds a gaming related license.

(10) Civil litigation history of the applicant, the applicant's key persons, and the substantial owners.

(11) Details of any disciplinary action initiated by a regulatory agency concerning the applicant's or the applicant's substantial owners' security or debt offerings.

(12) Details of any debt adjustment, deference, or suspension.

(13) Description of all bonus, profit sharing, pension, retirement, deferred compensation, and similar plans in existence or to be created between the applicant and the applicant's substantial owners.

(14) Criminal history of the applicant or the applicant's substantial owners.

(15) Details of any denial, restriction, suspension, revocation, or nonrenewal of a license or certificate held by the applicant or applicant's substantial owners.

(16) Political contributions made by the applicant or the applicant's substantial owners in accordance with IC 4-33-5-1(a)(10).

(17) Confidential financial information.

(18) Confidential taxpayer information.

(19) Confidential trade secret information.

(20) Any other information or documents that the commission determines is necessary to ensure the applicant meets the criteria for licensure under the Act and this title.

(d) An application for a supplier's license may not be withdrawn without leave of the commission. A request for leave to withdraw a supplier's license shall be granted by the commission if received prior to commission action on licensure under this rule unless denial of the withdrawal is not in the best interest of the state of Indiana and the gaming industry. (*Indiana Gaming Commission; 68 IAC 2-2-4; filed Nov 10, 1994, 11:00 a.m.: 18 IR 490; filed Dec 11, 1995, 4:30 p.m.: 19 IR 1020; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-5 Licensing procedures

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-4-11; IC 4-33-7-3

Sec. 5. (a) An application for a supplier's license shall be subject to the following procedures in order to obtain a supplier's license:

- (1) Application.
- (2) Issuance of a temporary supplier's license.
- (3) Investigation of the applicant.
- (4) Action by the commission.
- (5) Issuance of a permanent supplier's license.
- (6) Different or additional licensing procedures the commission requires of the applicant to ensure compliance with the Act and this title.

(b) Procedures for a temporary supplier's license shall be as follows:

(1) An applicant for a supplier's license must submit a completed application, an application fee, and an agreement or statement of intent on a form prescribed by the commission, indicating that the riverboat licensee or riverboat license applicant will utilize the applicant for the provision of goods and services listed in section 1 of this rule to the riverboat licensee.

(2) Once the commission has received the completed application, the application fee, and the agreement or statement of intent, the commission shall obtain the applicant's fingerprints at a time and place directed by the executive director. If the application or a criminal history check completed by a commission agent, or both does not reveal that the applicant has been convicted of a felony under Indiana law, the laws of any other state, or the laws of the United States, and the applicant meets the statutory criteria set forth in IC 4-33-7-3, the commission shall issue the applicant a temporary license.

(3) The temporary supplier's license shall be on a form prescribed by the commission and shall meet the specifications set forth in section 6 of this rule.

(4) An applicant who receives a temporary license may supply the riverboat licensee with goods and services until a permanent license is issued or the temporary license is withdrawn.

(5) A temporary supplier's license shall not be transferred. If an applicant fails to begin or ceases providing a riverboat licensee with goods or services, the applicant shall advise the commission immediately and shall return the temporary license to the commission. The failure to advise the commission that the applicant has failed to begin or has ceased providing a riverboat licensee with goods and services may be grounds to deny licensure in the future.

(6) Requirements for the withdrawal of a temporary supplier's license shall include the following:

(A) The executive director, upon written notice to the applicant and the riverboat licensee who has signed a statement of intent, may withdraw a temporary supplier's license if the executive director determines that the background investigation reveals unsuitability for licensure.

(B) If an applicant's temporary supplier's license is withdrawn, the applicant shall not be permitted to provide any riverboat licensee with any of the goods or services listed in section 1 of this rule.

(C) If an applicant's temporary supplier's license is withdrawn by the executive director, the executive director shall immediately forward the application to the commission for commission action.

(D) The applicant may seek to voluntarily withdraw the application prior to the commission action on withdrawal of a temporary supplier's license.

(7) An applicant must comply with all requests for information, documents, or other materials relating to the applicant and the application during the investigation conducted by the commission.

(c) The applicant shall meet the following standards, qualifications, or criteria to be issued a supplier's license:

(1) The applicant and the applicant's substantial owners must possess the qualifications set forth in IC 4-33-7-3.

(2) The applicant, in the case of an individual, or the applicant's substantial owners must be twenty-one (21) years of age.

(3) The applicant and the applicant's substantial owners must demonstrate a level of skill, experience, knowledge, and ability necessary to supply the goods or services applicant seeks permission to provide.

(4) The applicant or the applicant's substantial owners must not have been convicted of any offense for a violation of a gaming law in any jurisdiction.

(5) The applicant or the applicant's substantial owners must not appear on the exclusion list of any jurisdiction for having

violated a rule of gaming.

(6) An applicant who will supply the riverboat with alcoholic beverages or other goods or services requiring an additional permit or certificate from any state government or the federal government must hold the appropriate permit or certificate from the alcoholic beverage commission or the appropriate governmental entity.

(7) The applicant or the applicant's substantial owners must be in substantial compliance with all state and federal tax laws.

(8) An applicant must meet any other standard that the commission deems necessary to ensure compliance with the Act and this title after publication of the standard.

(d) The commission may place restrictions or conditions on a temporary supplier's license. The applicant must comply with these restrictions or conditions before the commission issues a permanent supplier's license. These restrictions or conditions may include, but are not limited to, the following:

(1) That the supplier licensee begin supplying a riverboat gambling operation within a reasonable period of time.

(2) That the supplier licensee demonstrate to the commission that the goods or services the supplier licensee will provide to a riverboat gambling operation are in compliance with the Act and this title.

(3) That the supplier licensee has adequate insurance in accordance with IC 4-33-4-11 and subsection (f).

The supplier licensee must continue to meet all conditions or restrictions for licensure after the issuance of the permanent supplier's license. If a supplier licensee fails to adhere to these conditions or restrictions or fails to maintain suitability for licensure, the commission may initiate a disciplinary action under 68 IAC 13.

(e) Action of the commission shall be as follows:

(1) After the completion of the background investigation, if the commission finds that an applicant is suitable to receive a supplier's license, the commission shall direct the executive director to issue the applicant a permanent supplier's license upon the payment of the annual licensing fee. The permanent license shall be on a form prescribed by the commission and shall meet the specifications set forth in section 6 of this rule. If the applicant's annual licensing fee is not received by the commission within ten (10) days after the date of the mailing of the notification of the applicant's suitability for licensure to the applicant, the executive director shall withdraw the applicant's temporary supplier's license and notify the commission that the temporary supplier's license has been withdrawn.

(2) If the commission determines that the applicant is not suitable to receive a supplier's license, it shall direct the executive director to issue the applicant a notice of denial by personal delivery or certified mail.

(f) A supplier licensee must obtain or maintain, or both, insurance in a minimum amount determined by the commission. The supplier licensee shall obtain or maintain, or both, the following types of insurance:

(1) Liability.

(2) Casualty.

(3) Capital loss.

(4) Fire.

(5) Theft.

(6) Worker's compensation insurance.

(7) Any other type of insurance the commission deems necessary to ensure the supplier licensee is adequately insured.

After the commission issues a temporary supplier's license to the applicant, the commission shall direct the executive director to advise the applicant, in writing, of the amount of insurance which the applicant must obtain or maintain, or both. Failure to comply with this subsection may result in the revocation of a temporary supplier's license or the denial of the issuance of a permanent supplier's license.

(g) The supplier licensee is under a continuing duty to maintain the minimum amount of insurance specified by the commission under subsection (f). The commission may initiate a disciplinary action under 68 IAC 13 if the supplier licensee fails to maintain the requisite insurance. (*Indiana Gaming Commission; 68 IAC 2-2-5; filed Nov 10, 1994, 11:00 a.m.: 18 IR 490; filed Dec 11, 1995, 4:30 p.m.: 19 IR 1021; errata filed Apr 9, 1996, 12:15 p.m.: 19 IR 2044; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-6 Supplier's license requirements

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-7

Sec. 6. (a) The temporary and permanent supplier's licenses shall be on forms prescribed by the commission and shall display

the following:

- (1) The applicant's name and business address.
- (2) The classification of the goods or services the licensee will supply.
- (3) The supplier's license number assigned by the commission.
- (4) The signature of the executive director of the commission.
- (5) The date the supplier's license was issued and the date that the license will expire.
- (6) Any other information the commission deems necessary to identify the supplier licensee, and any conditions or restrictions that are placed on the supplier license.

(b) A fee of ten dollars (\$10) shall be paid to the commission for any necessary replacement of a temporary or permanent supplier's license. The fee shall be assessed each time a supplier licensee obtains a replacement temporary or permanent license.

(c) The temporary and permanent supplier's licenses shall remain the property of the commission at all times. The supplier's license may be revoked, suspended, canceled, or restricted by the commission under 68 IAC 13.

(d) The supplier licensee shall provide a true and accurate copy of the license to each riverboat licensee to whom the supplier licensee provides goods and services. The riverboat licensee shall maintain a true and accurate copy of each supplier's license issued to the suppliers from whom the riverboat licensee obtains goods and services.

(e) The supplier licensee shall return the supplier's license to the commission if the supplier licensee ceases to provide any riverboat with the goods or services for which the supplier licensee is licensed to supply or distribute, or both. (*Indiana Gaming Commission; 68 IAC 2-2-6; filed Nov 10, 1994, 11:00 a.m.: 18 IR 492; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-6.1 Requirement that certain employees of a supplier licensee obtain occupational license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 6.1. The commission may require that employees of a supplier licensee that will be on a riverboat to install, service, or repair equipment, devices, or systems supplied by the supplier licensee obtain an occupational license, Level 3 under 68 IAC 2-3-1. An employee of a supplier licensee that will be present on a riverboat on a regular basis may be required to obtain an occupational license. (*Indiana Gaming Commission; 68 IAC 2-2-6.1; filed May 22, 1997, 11:10 a.m.: 20 IR 2698; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-7 Reapplication for denied license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-7-1

Sec. 7. A person whose application for a supplier's license has been denied may not reapply for a supplier's license for a period of one (1) year from the date on which the commission voted to deny his or her application without leave of the commission. The commission may grant leave for reapplication if the applicant can demonstrate that the reason the original application was denied no longer exists or bars suitability for licensure. (*Indiana Gaming Commission; 68 IAC 2-2-7; filed Nov 10, 1994, 11:00 a.m.: 18 IR 493; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-8 Annual renewal

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-7

Sec. 8. (a) A supplier's license must be renewed annually.

(b) A supplier licensee must request renewal of the license on a form prescribed by the commission. The supplier licensee must complete the form and provide the commission with any information or documents that the commission deems necessary. The form requesting renewal of the supplier's license must be submitted with the annual fee under section 3 of this rule. The commission may perform a background investigation on any supplier licensee seeking renewal of the license. The cost of any investigation shall be charged to the supplier licensee.

(c) The commission may refuse to renew a supplier's license if the supplier licensee no longer meets the requirements set forth

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in this rule and IC 4-33-7. (*Indiana Gaming Commission; 68 IAC 2-2-8; filed Nov 10, 1994, 11:00 a.m.: 18 IR 493; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-9 Duty to maintain suitability; duty to disclose; transfer of supplier's license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-7

Sec. 9. (a) All supplier licensees have a continuing duty to maintain suitability for licensure. A supplier's 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 a supplier licensee is in violation of the requirements of this rule or the Act if the riverboat licensee is aware of a violation.

(c) A supplier licensee shall notify the commission of any changes in the information submitted in the application or any other condition that renders the supplier licensee ineligible to hold a supplier's license.

(d) A supplier's license shall not be transferred unless the transfer complies with 68 IAC 5. (*Indiana Gaming Commission; 68 IAC 2-2-9; filed Nov 10, 1994, 11:00 a.m.: 18 IR 493; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-9.5 Records

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-4-6; IC 4-33

Sec. 9.5. (a) This rule applies to all supplier licensees and supplier's license applicants.

(b) All supplier licensees and supplier's license applicants shall maintain, in a place secure from theft, loss, or destruction, adequate records of business operations. These records shall be held for at least five (5) years. These records shall include, but not be limited to, the following:

(1) All correspondence with or reports to the commission or to any local, state, or federal government agency.

(2) All financial statements or financial records of the supplier.

(3) All records pertaining to products or services supplied by the supplier licensee to Indiana riverboat licensees or Indiana riverboat license applicants.

(4) All correspondence with riverboats licensed under IC 4-33, or documentation relating to order, shipment, or receipt or provision of merchandise or services sold or provided under the Act or this title.

(5) Personnel files on each employee of the supplier licensee, including sales representatives.

(c) All supplier licensees and supplier's license applicants must produce the original or a copy, or both, of any records requested by the commission, commission agents, or persons authorized by the commission.

(d) No original book, record, or document that is required to be maintained by this section may be destroyed without prior approval of the commission.

(e) If a supplier licensee or supplier's license applicant fails to comply with this section, the commission may initiate disciplinary action pursuant to 68 IAC 13-1. (*Indiana Gaming Commission; 68 IAC 2-2-9.5; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1061*)

68 IAC 2-2-10 Restriction, revocation, or other action regarding a supplier's license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 10. (a) The commission may take any action against a supplier licensee at any time, including, but not limited to, revocation, restriction, or suspension of a supplier's license at any time that the commission determines the supplier licensee is in violation of this rule or the Act.

(b) If the commission determines that a supplier licensee is in violation of this rule or IC 4-33, the commission may initiate a disciplinary proceeding to revoke, restrict, or suspend the supplier's license under 68 IAC 13. (*Indiana Gaming Commission; 68 IAC 2-2-10; filed Nov 10, 1994, 11:00 a.m.: 18 IR 493; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-11 Request for hearing on notice of denial or nonrenewal of supplier's license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-7

Sec. 11. (a) An applicant or a supplier licensee who is served with a notice of denial or nonrenewal under this rule may request a hearing under 68 IAC 7.

(b) If the applicant does not request a hearing, the notice of denial or nonrenewal becomes the final order of the commission denying the application for a supplier's license. (*Indiana Gaming Commission; 68 IAC 2-2-11; filed Nov 10, 1994, 11:00 a.m.: 18 IR 493; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-2-12 Waiver of requirements

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-7-1; IC 4-33-7-4

Sec. 12. The commission may waive, restrict or alter any licensing requirement or procedure if the commission determines that the procedure or requirement is impractical, or burdensome, and such waiver, restriction, or alteration is in the best interest of the public and the gaming industry, and is not outside the technical requirements necessary to serve the purpose of the requirement or procedure. (*Indiana Gaming Commission; 68 IAC 2-2-12; filed Nov 10, 1994, 11:00 a.m.: 18 IR 493; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

Rule 3. Occupational Licenses

68 IAC 2-3-1 Occupational license required

Authority: IC 4-33-4-1; IC 4-33-4-2
Affected: IC 4-33-8-1

Sec. 1. (a) The following definitions apply throughout this rule:

(1) "Applicant" means an applicant for an occupational license.

(2) "Riverboat license applicant" means an applicant for a riverboat owner's license that has been issued a certificate of suitability under 68 IAC 2-1-5.

(b) This rule is applicable to full-time and part-time employees or potential employees of a riverboat licensee or a riverboat license applicant.

(c) The following persons are required to hold an occupational license:

(1) A person employed by the riverboat gambling operation and whose duties are to be performed on the riverboat.

(2) All security personnel.

(3) Managers or supervisory personnel.

(4) Employees whose duties are performed off the riverboat and whose duties include the handling of money or performing accounting and auditing functions that involve money obtained as a result of gaming or other operations aboard the riverboat.

(d) An employee whose duties are to be performed at the dock site facilities only is not required to hold an occupational license, unless the employee's duties are described in subsection (c).

(e) An occupational license, Level 1 is the highest level of occupational license. An occupational licensee may perform any activity included within the occupational licensee's level of occupational license or any lower level of occupational license.

(f) An employee of a riverboat gambling operation who does not hold an occupational license shall not perform any duties on the riverboat at any time.

(g) A person under twenty-one (21) years of age shall not hold an occupational license of any level.

(h) An application for an occupational license shall not be processed by the commission unless the applicant has an agreement or a statement of intent with a riverboat licensee or a riverboat license applicant that the applicant will be employed upon receiving the appropriate occupational license.

(i) Occupational license, Level 1, includes the following positions or their equivalent:

(1) Audit manager.

- (2) Casino manager.
- (3) Chief of security.
- (4) Chief of surveillance.
- (5) Chief financial officer or controller, or both.
- (6) Electronic data program manager.
- (7) Gaming operations manager not required to hold a supplier's license under 68 IAC 2-2.
- (8) Electronic gaming device manager.
- (9) Table games manager.
- (10) General manager.
- (11) Support operations manager.
- (12) Any other employee of a riverboat gambling operation whom the commission deems necessary, to ensure compliance with the Act and this title, to hold an occupational license, Level 1.
- (j) The following employees shall obtain an occupational license, Level 2:
 - (1) Security personnel and surveillance personnel.
 - (2) Any employee of a riverboat gambling operation whose duties are performed on the riverboat and whose employment duties affect gaming.
 - (3) Any employee of a riverboat gambling operation whose duties are performed on or off the riverboat and whose employment duties affect the flow of money obtained as a direct result of gaming operations or other operations aboard the riverboat.
 - (4) Any employee of a riverboat gambling operation whose duties include accounting and auditing functions and whose duties relate to money obtained as a result of gaming or other operations aboard the riverboat.
 - (5) Any other employee of a riverboat gambling operation whom the commission deems necessary, to ensure compliance with the Act and this title, to hold an occupational license, Level 2.
- (k) The following employees shall obtain an occupational license, Level 3:
 - (1) Any employee of a riverboat gambling operation whose duties are performed on a riverboat and who are not employees described in subsection (i) or (j).
 - (2) The crew members responsible for operating and navigating the riverboat.
 - (3) Instructors of an occupational training school under 68 IAC 2-5.
 - (4) Any other employee of a riverboat gambling operation whom the commission deems necessary, to ensure compliance with the Act and this title, to hold an occupational license, Level 3.

(Indiana Gaming Commission; 68 IAC 2-3-1; filed Nov 10, 1994, 11:00 a.m.: 18 IR 493; filed Aug 20, 1997, 7:11 a.m.: 21 IR 8; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)

68 IAC 2-3-1.1 Surveillance department requirements

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3; IC 4-33-8-4
Affected: IC 4-33-6

Sec. 1.1. (a) Members of the surveillance department shall report to the surveillance manager. The surveillance manager must report to a corporate office.

(b) The surveillance manager shall not be responsible for overseeing any other department. *(Indiana Gaming Commission; 68 IAC 2-3-1.1; filed Aug 20, 1997, 7:11 a.m.: 21 IR 9; errata, 21 IR 399; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-3-1.5 Management of riverboat gambling operations

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3; IC 4-33-8-4
Affected: IC 4-33-6

Sec. 1.5. (a) An individual applying for an occupational license, Level 1, to manage a riverboat gambling operation is subject to background inquiries and requirements similar to those required for an applicant for a riverboat owner's license under IC 4-33-6 and 68 IAC 2-1.

(b) Each individual applying for an occupational license, Level 1, to manage a riverboat gambling operation may manage gambling operations for only one (1) riverboat licensee. *(Indiana Gaming Commission; 68 IAC 2-3-1.5; filed Jun 23, 1995, 2:30*

p.m.: 18 IR 2653; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)

68 IAC 2-3-2 Application fees

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-2

Sec. 2. (a) The riverboat licensee or a riverboat license applicant must pay a nonrefundable application fee for its potential riverboat employees in the following amounts:

(1) Occupational license, Level 1, one thousand dollars (\$1,000).

(2) Occupational license, Level 2, two hundred dollars (\$200).

(3) Occupational license, Level 3, seventy-five dollars (\$75).

(b) A supplier licensee may be required to pay the nonrefundable application fees on behalf of its employees that require an occupational license of any level.

(c) All fees must be submitted to the commission in the form of a certified check or cashier's check made payable to the state of Indiana. The riverboat licensee or a riverboat license applicant may pay the application fee for more than one (1) employee with one (1) check.

(d) The riverboat licensee may seek reimbursement of the application fee from the occupational licensee.

(e) The application fee shall be utilized to conduct the background investigation of an applicant. The application fee of an applicant for an occupational license may be increased to the extent that the cost of the background investigation relating to that applicant exceeds the application fee set forth in subsection (a). The riverboat licensee or a riverboat license applicant shall be advised by the executive director, in writing, that an additional application fee is required with respect to a particular potential riverboat employee. The letter shall direct the riverboat licensee or the riverboat license applicant to remit an amount that the executive director has determined is necessary to complete the investigation. Once a riverboat licensee or a riverboat license applicant is directed to submit an application fee in excess of the amount set forth in subsection (a), no further steps shall be taken with respect to the application until the increased application fee is paid by the riverboat licensee or the riverboat license applicant. *(Indiana Gaming Commission; 68 IAC 2-3-2; filed Nov 10, 1994, 11:00 a.m.: 18 IR 494; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-3-3 Occupational license fees

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-4-2

Sec. 3. (a) The following annual occupational license fees must be submitted by the riverboat licensee for whom the occupational licensee shall be employed prior to the issuance of the permanent occupational license:

(1) Occupational license, Level 1, one hundred dollars (\$100).

(2) Occupational license, Level 2, fifty dollars (\$50).

(3) Occupational license, Level 3, twenty-five dollars (\$25).

(b) A supplier licensee may be required to pay the annual occupational license fees on behalf of its employees that require an occupational license of any level.

(c) All fees must be submitted to the commission in the form of a certified check or cashier's check made payable to the state of Indiana. The riverboat licensee may pay the occupational license fee for more than one (1) employee with one (1) check.

(d) The riverboat licensee may require that the occupational licensee reimburse the riverboat licensee for the annual licensing fee.

(e) The occupational license shall be valid for a period of one (1) year. The occupational license may be renewed annually upon the payment of the proper annual licensing fee set forth in subsection (a) and compliance with section 8 of this rule. *(Indiana Gaming Commission; 68 IAC 2-3-3; filed Nov 10, 1994, 11:00 a.m.: 18 IR 495; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-3-4 Applications

Authority: IC 4-33-4-1; IC 4-33-4-2

Affected: IC 4-33-8-5

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Sec. 4. (a) An applicant for an occupational license must complete and submit the appropriate form prescribed by the commission. The applicant must complete and submit the requisite number of copies set forth in subsections (d) through (f).

(b) Application procedures shall be as follows:

(1) An applicant is seeking a privilege and assumes and accepts any and all risk of adverse publicity, notoriety, embarrassment, criticism, or other action or financial loss that may occur in connection with the application process or the public disclosure of information requested. The applicant expressly waives any claim for damages that may result from the application process.

(2) Any misrepresentation or omission made with respect to an application may be grounds for denial of the application.

(3) An applicant for an occupational license, Level 1 must submit three (3) bound and two (2) unbound copies of the Personal Disclosure Form 1 and requested materials to the commission office in Indianapolis, Indiana.

(4) An applicant for an occupational license, Level 2 or 3 must submit the original application and all requested materials to the commission agent at the commission office located at the appropriate riverboat's dock site.

(5) An applicant for any level of occupational license must submit a photograph taken within three (3) months of its submission and must be fingerprinted at a time and place designated by the executive director.

(6) An application shall be deemed filed when the completed application form, including all required documents, materials, photograph, and the application fee have been submitted. To constitute a completed application, the riverboat licensee or the riverboat license applicant that will hire the applicant must stamp the front page of an application with the riverboat licensee's or riverboat license applicant's logo and the riverboat licensee, riverboat license applicant, or its authorized agent must sign the front page of the application. The front page of an occupational license must not be stamped and signed by a riverboat licensee or riverboat license applicant unless the riverboat licensee or riverboat license applicant has offered the applicant for an occupational license employment aboard the riverboat. A background investigation will not be initiated by the commission until a completed application is received by the commission.

(7) An applicant is under a continuing duty to disclose any changes in the information submitted to the commission.

(c) An application for an occupational license may be withdrawn without leave of the commission if written notification of withdrawal is submitted prior to commission action on licensure under section 5 of this rule and unless the intended withdrawal is objected to by the executive director. If the executive director objects to the withdrawal of an application for an occupational license, the commission shall determine if the application may be withdrawn.

(d) An applicant for an occupational license, Level 1 must complete and submit three (3) bound and two (2) unbound copies of Personal Disclosure Form 1. Personal Disclosure Form 1 shall be on a form prescribed by the commission and shall include the following information and documents:

(1) The applicant's name, address, and telephone number.

(2) The applicant's Social Security number.

(3) The information specified in IC 4-33-8-5.

(4) Employment history.

(5) Two (2) sets of the applicant's fingerprints taken by the commission at a time and place designated by the executive director.

(6) A photograph taken within three (3) months of submission of the application.

(7) A copy of the applicant's birth certificate. If a birth certificate is not available, the applicant must submit naturalization papers or a copy of a letter from the applicant to the appropriate government agency requesting the birth certificate.

(8) Physical characteristics, including build, complexion, and any distinguishing marks, including scars and tattoos.

(9) Familial information and marital history.

(10) Citizenship information.

(11) Military history and information.

(12) Educational history.

(13) Vocational or employment training programs.

(14) Criminal history of the applicant and the applicant's immediate family.

(15) Confidential tax return information and documents.

(16) Confidential financial and business information.

(17) Information regarding any litigation involving the applicant or the applicant's immediate family, or both.

(18) Appropriate waivers and affidavits.

(19) Any other information or documents that the commission deems necessary to ensure the applicant meets the licensing

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criteria set forth in the Act and this title.

(e) An applicant for an occupational license, Level 2 must complete and submit one (1) copy of the application for occupational license, Level 2. The occupational license, Level 2 application shall be on a form prescribed by the commission and shall include the following information and documents:

- (1) The applicant's name, address, and telephone number.
- (2) The applicant's Social Security number.
- (3) The information specified in IC 4-33-8-5.
- (4) Employment history.
- (5) Two (2) sets of the applicant's fingerprints taken by the commission at a time and place designated by the executive director.
- (6) A photograph taken at the time of submission of the application.
- (7) A copy of the applicant's birth certificate. If a birth certificate is not available, the applicant must submit naturalization papers or a copy of a letter from the applicant to the appropriate government agency requesting the birth certificate.
- (8) Physical characteristics, including build, complexion, and any distinguishing marks, including scars and tattoos.
- (9) Familial information and marital history.
- (10) Citizenship information.
- (11) Military history and information.
- (12) Educational history.
- (13) Vocational or employment training programs.
- (14) Criminal history of the applicant and the applicant's immediate family.
- (15) Confidential tax return information and documents.
- (16) Confidential financial and business information.
- (17) Information regarding any litigation involving the applicant or the applicant's immediate family, or both.
- (18) Appropriate waivers and affidavits.
- (19) Any other information or documents that the commission deems necessary to ensure the applicant meets the licensing criteria set forth in the Act and this title.

(f) An applicant for an occupational license, Level 3 must complete and submit one (1) copy of the application for occupational license, Level 3. The application for an occupational license, Level 3 shall be on a form prescribed by the commission and shall include the following information and documents:

- (1) The applicant's name, address, and telephone number.
- (2) The applicant's Social Security number.
- (3) The information specified in IC 4-33-8-5.
- (4) Employment history.
- (5) Educational history.
- (6) Two (2) sets of the applicant's fingerprints taken by the commission at a time and place designated by the executive director.
- (7) A photograph taken at the time of the submission of the application.
- (8) A copy of applicant's birth certificate. If a birth certificate is not available, the applicant must submit naturalization papers or a copy of a letter from the applicant to the appropriate government agency requesting the birth certificate.
- (9) Physical characteristics, including build, complexion, and any distinguishing marks, including scars and tattoos.
- (10) The applicant's criminal history.
- (11) Appropriate waivers and affidavits.
- (12) Any other information or documents that the commission deems necessary to ensure the applicant meets the licensing criteria set forth in the Act and this title.

(g) The applicant bears the burden of demonstrating that he or she is suitable for licensure. (*Indiana Gaming Commission; 68 IAC 2-3-4; filed Nov 10, 1994, 11:00 a.m.: 18 IR 495; filed Dec 11, 1995, 4:30 p.m.: 19 IR 1023; filed Aug 20, 1997, 7:11 a.m.: 21 IR 9; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-3-5 Licensing procedures

Authority: IC 4-33-4-1; IC 4-33-4-2

Affected: IC 4-33-8-3

Sec. 5. (a) An applicant for an occupational license shall be subject to the following procedures prior to licensing:

- (1) Application.
- (2) Issuance of a temporary identification badge. The temporary identification badge shall serve as the temporary occupational license until the permanent occupational license has been issued or denied.
- (3) Investigation of the applicant.
- (4) If an applicant for an occupational license, Level 1, 2, or 3 has been convicted of a felony under Indiana law, the laws of any other state, or the laws of the United States, the application is automatically denied in accordance with IC 4-33-8-3(2). The executive director shall issue the applicant a notice of denial by certified mail, or the commission agent who receives the completed application may personally deliver a notice of denial to the applicant.
- (5) Action by the commission.
- (6) Issuance of a permanent identification badge. The permanent identification badge shall serve as the permanent occupational license.
- (7) Different or additional licensing procedures the commission requires of the applicant to ensure the applicant is in compliance with the Act and this title.
- (b) Procedures for a temporary occupational license shall be as follows:
 - (1) An applicant for an occupational license must submit a completed application that has been stamped and signed by the riverboat licensee, the riverboat license applicant, or its authorized agent to the commission agent at the commission's dock site office during times designated by the commission agents.
 - (2) Once the commission agent has received the completed occupational license application and appropriate fee, the commission agent shall obtain the applicant's fingerprints and photograph. If the application or a criminal record check completed by a commission agent, or both, does not reveal that the applicant has been convicted of a felony under Indiana law, the laws of any other state, or the laws of the United States, the commission agent shall issue the applicant a temporary identification badge.
 - (3) An applicant who receives a temporary identification badge may work on a riverboat until a permanent license is issued or the temporary identification badge is revoked.
 - (4) The temporary identification badge shall be a card of a color designated by the executive director and that meets the specifications set forth in section 6 of this rule. The color of the temporary identification badge shall be different from the color of the permanent identification badge.
 - (5) Temporary identification badges shall be worn by all occupational licensees during work hours. Temporary identification badges shall be clearly displayed.
 - (6) A fee of ten dollars (\$10) shall be paid to the commission for any necessary replacement of temporary identification badge. The fee shall be assessed each time an occupational licensee obtains a replacement temporary identification badge.
 - (7) A temporary identification badge shall not be transferred. If the applicant resigns or his or her employment is terminated, the applicant shall return the temporary badge to the commission.
 - (8) Requirements for the revocation of a temporary identification badge shall include the following:
 - (A) The executive director, upon written notice to the applicant and the riverboat licensee, may revoke an applicant's temporary badge if the executive director determines that the background investigation reveals that an applicant is not suitable for licensure.
 - (B) The executive director, or the executive director's designee, upon written notice to the applicant and the riverboat licensee, may revoke an applicant's temporary occupational license if the executive director or the executive director's designee determines that the applicant has violated the Act or this title, or committed a criminal offense in the performance of the applicant's duties for the riverboat licensee.
 - (C) If an applicant's temporary identification badge is revoked, the applicant shall not be permitted to work for any riverboat gambling operation at duties that are to be performed on a riverboat.
 - (D) If an applicant's temporary identification badge is revoked, the application shall be forwarded to the commission for action unless the applicant withdraws the application prior to commission action.

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(9) An applicant must comply with all requests for information, documents, or other materials relating to the applicant and his or her application during the investigation conducted by the commission.

(c) The applicant shall meet the following standards, qualifications, or criteria to be issued an occupational license of any level:

(1) The applicant must possess the qualifications set forth in IC 4-33-8-3.

(2) The applicant must demonstrate a level of skill, experience, or knowledge necessary to perform the job that the applicant will perform.

(3) An applicant whose knowledge, experience, and skill are derived solely from the completion of an occupational training school that is not in compliance with 68 IAC 2-5 shall not be considered to have the requisite skill, experience, or knowledge necessary to conduct gambling games. An applicant who has completed an occupational training school that is not in compliance with 68 IAC 2-5 may be hired if the riverboat licensee will provide the appropriate training.

(4) The applicant must not have been convicted of any offense involving violation of a gaming law in any jurisdiction.

(5) The applicant's name must not appear on the exclusion list of any jurisdiction.

(6) The applicant must never have had a gaming license suspended or revoked in any jurisdiction.

(7) An applicant who will serve alcoholic beverages must hold the appropriate permits from the alcoholic beverage commission.

(8) An applicant whose duties will be to operate or navigate the riverboat must hold the appropriate licenses or merchant marine documents, or both, from the United States Coast Guard.

(9) An applicant who will work on a riverboat that is docked on the waters of Lake Michigan must hold a valid merchant marine document only when required by the United States Coast Guard.

(10) An applicant whose duties will be to operate or navigate the riverboat must not have violated any criminal statute involving drugs or alcohol, or both, in any jurisdiction.

(11) An applicant must not be currently abusing drugs or alcohol, or both.

(12) An applicant must be twenty-one (21) years of age.

(13) An applicant must be in substantial compliance with all state and federal tax laws.

(14) An applicant must be of good moral character and reputation.

(15) An applicant must meet any other standard that the commission deems necessary to ensure compliance with the Act and this title after publication of the standard.

(d) The commission may place restrictions or conditions on a temporary occupational license. The applicant must comply with these restrictions or conditions before the commission issues an occupational license. These restrictions or conditions may include, but are not limited to, the following:

(1) That the applicant demonstrates a level of skill, experience, or knowledge necessary to perform the job that the applicant will perform.

(2) That the applicant who will serve alcoholic beverages holds the appropriate permits from the alcoholic beverage commission.

(3) That the applicant who will operate or navigate the riverboat holds the appropriate license or merchant marine documents, or both, from the United States Coast Guard.

The occupational licensee must continue to meet all conditions or restrictions for licensure after the issuance of the permanent occupational license. If an occupational licensee fails to adhere to these conditions or restrictions or fails to maintain suitability for licensure, the commission may initiate a disciplinary action under 68 IAC 13.

(e) Action of the commission shall be as follows:

(1) After the background investigation has been completed, if the commission finds that the applicant is suitable to receive an occupational license, the commission shall direct the executive director to issue the applicant an occupational license upon the payment of the applicant's occupational license fee. The permanent identification badge shall serve to represent the permanent occupational license. If the applicant's occupational license fee is not received by the commission within ten (10) business days after the date of the mailing of the notification of the applicant's suitability for licensing to the applicant and the riverboat licensee, the executive director shall revoke the applicant's temporary identification badge and notify the commission that the temporary identification badge has been revoked.

(2) If the commission determines that the applicant is not suitable to receive an occupational license, it shall:

(A) direct the executive director to issue the applicant a notice of denial by personal delivery or certified mail;

(B) immediately revoke the temporary license; and

(C) notify the appropriate riverboat licensee of the revocation of the temporary license.

(f) Requirements for a permanent identification badge shall be as follows:

(1) Upon a finding of suitability for licensure, the commission shall issue an occupational license in the form of a permanent identification badge.

(2) The permanent identification badge shall remain the property of the commission at all times. The occupational license may be:

- (A) revoked;
- (B) suspended;
- (C) canceled; or
- (D) restricted;

by the commission in accordance with 68 IAC 13. The commission may refuse to renew the license when it is reviewed under section 8 of this rule.

(3) Neither the occupational license number nor the permanent identification badge shall be transferred to another person. If the occupational licensee resigns or the occupational licensee's employment is terminated, the occupational licensee shall return the permanent identification badge to the commission.

(4) The permanent identification badge shall be a card of a color designated by the executive director and that meets the specifications set forth in section 6 of this rule. The color of the permanent identification badge shall be different from the color of the temporary identification badge.

(5) The permanent identification badge shall be worn by all occupational licensees during work hours. Permanent identification badges shall be clearly displayed.

(6) A fee of ten dollars (\$10) shall be paid to the commission for any necessary replacement of a permanent identification badge. The fee shall be assessed each time an occupational licensee obtains a replacement permanent identification badge.

(Indiana Gaming Commission; 68 IAC 2-3-5; filed Nov 10, 1994, 11:00 a.m.: 18 IR 497; filed Jan 30, 1998, 11:00 a.m.: 21 IR 2056; filed May 29, 1998, 5:12 p.m.: 21 IR 3704; errata filed Aug 12, 1998, 3:58 p.m.: 22 IR 125; filed Dec 29, 1998, 10:46 a.m.: 22 IR 1418; errata filed Jan 11, 1999: 3:54 p.m.: 22 IR 1525; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1061; filed Sep 30, 2004, 11:00 a.m.: 28 IR 533)

68 IAC 2-3-6 Identification badge

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8

Sec. 6. The identification badge shall be a card of the appropriate color that meets the following requirements:

(1) The front side of the identification badge shall:

- (A) be a card bearing the name and logo of the riverboat gambling operation;
- (B) display the applicant's photograph;
- (C) display the applicant's first name and job title;
- (D) display the occupational license number assigned by the commission;
- (E) display the level of the occupational license; and
- (F) display the date the identification badge and occupational license were issued and the date that the identification badge and occupational license will expire.

(2) The back side of the identification badge shall:

- (A) display the applicant's first name and last name;
- (B) display the applicant's signature;
- (C) display the applicant's date of birth;
- (D) have a magnetic stripe on the bottom of the card that shall be capable of:
 - (i) revealing the applicant's security clearance levels;
 - (ii) tracking the applicant's employment attendance; and
 - (iii) tracking the applicant's ingress and egress on the riverboat through the employee entrances; and
- (E) display any other information deemed necessary by the commission to identify the occupational licensee, the riverboat of employment, the appropriate level of occupational license, and any conditions or restrictions that have been

placed on the occupational license.

(3) Identification badges shall be constructed so that the badges can be easily affixed to the occupational licensee's clothing.

(4) The temporary and permanent badges shall remain the property of the commission at all times. The temporary and permanent badges may be:

- (A) revoked;
- (B) suspended;
- (C) canceled; or
- (D) restricted;

by the commission in accordance with 68 IAC 13. The commission may refuse to renew the license when it is reviewed under section 8 of this rule.

(5) The temporary and permanent badges shall not be transferred. If the applicant resigns or his or her employment is terminated, the applicant shall return the temporary or permanent badge to the commission.

(Indiana Gaming Commission; 68 IAC 2-3-6; filed Nov 10, 1994, 11:00 a.m.: 18 IR 499; filed Jun 1, 1998, 2:48 p.m.: 21 IR 3706; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898; filed Sep 30, 2004, 11:00 a.m.: 28 IR 535)

68 IAC 2-3-6.1 Post-licensing policies and procedures

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 6.1. (a) The following policies and procedures are applicable to occupational licensees and the issuance of new badges:

(1) If an occupational licensee leaves employment with one (1) riverboat licensee and begins employment with a different riverboat licensee, the occupational licensee must undergo a new application process, including the submission of the application fee in accordance with section 2 of this rule and the license fee in accordance with section 3 of this rule.

(2) If an occupational licensee transfers to a new position on the same riverboat licensee, but remains an occupational licensee of the same level, the ten dollar (\$10) replacement fee for the new identification badge is waived.

(3) If an occupational licensee transfers to a new position with the same riverboat licensee that does necessitate a change in his or her licensure level, the occupational licensee must undergo a new application process, including the submission of the application fee in accordance with section 2 of this rule and the licensure fee in accordance with section 3 of this rule. The ten dollar (\$10) replacement fee for the new identification badge is waived. If a higher level of occupational license is needed, the original application fee will be applied toward the higher application fee and only the difference between the application fees must be submitted.

(4) If an occupational licensee ceases employment with a riverboat licensee, but returns to the same riverboat licensee in the same position within sixty (60) days, the occupational licensee does not have to be reprocessed. The occupational licensee may utilize the original identification badge if it has not been canceled by the commission or otherwise destroyed. If the occupational licensee needs a new identification badge, the ten dollar (\$10) replacement fee must be paid in accordance with section 5 of this rule.

(5) If an occupational licensee ceases employment with a riverboat licensee, but returns to the same riverboat licensee more than sixty (60) days later, the occupational licensee must submit a new application in accordance with section 4 of this rule and a new application fee in accordance with section 2 of this rule.

(6) If an occupational licensee needs to obtain a new identification badge for any of the following reasons, the ten dollar (\$10) replacement fee must be paid in accordance with section 5 of this rule:

- (A) The occupational licensee has lost the identification badge.
- (B) The occupational licensee has destroyed the identification badge.
- (C) The occupational licensee needs a new identification badge due to theft of the previous identification badge.
- (D) The occupational licensee needs a new identification badge due to a name change.

(b) All application fees shall be paid in accordance with section 2 of this rule.

(c) All occupational license fees shall be paid in accordance with section 3 of this rule. *(Indiana Gaming Commission; 68 IAC 2-3-6.1; filed Mar 21, 1997, 10:00 a.m.: 20 IR 2091; errata filed May 7, 1997, 4:00 p.m.: 20 IR 2413; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-3-7 Reapplication for denied license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-8-3

Sec. 7. (a) A person whose application for an occupational license has been denied may not reapply for an occupational license of the same or higher level for a period of one (1) year from the date on which the commission voted to deny the application without leave of the commission.

(b) A person whose application for an occupational license was denied may seek leave of the commission to reapply within the one (1) year period by addressing the request to the commission through the executive director. The commission may require the applicant to present oral or written argument to the commission outlining why an exception should be made. (*Indiana Gaming Commission; 68 IAC 2-3-7; filed Nov 10, 1994, 11:00 a.m.: 18 IR 499; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-3-8 Annual renewal

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-8-2

Sec. 8. (a) An occupational license must be renewed annually.

(b) An occupational licensee must request renewal of the license on a form prescribed by the commission no less than thirty (30) days before the expiration of the occupational license. The occupational licensee must complete the form and provide the commission with any information or documents which the commission deems necessary. The form requesting renewal of an occupational license must be submitted with the annual fee under section 3 of this rule. The commission may perform a background investigation on any occupational licensee seeking renewal of the license. The commission may require that all or part of the investigation cost be charged to the occupational licensee.

(c) The commission may refuse to renew an occupational license if the occupational licensee no longer meets the requirements set forth in this rule and IC 4-33-8. (*Indiana Gaming Commission; 68 IAC 2-3-8; filed Nov 10, 1994, 11:00 a.m.: 18 IR 500; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-3-9 Duty to maintain suitability; duty to disclose

Authority: IC 4-33-4-1; IC 4-33-4-2
Affected: IC 4-33

Sec. 9. (a) 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 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.

(d) Occupational licensees shall cooperate with and provide truthful information to commission agents and staff during any investigation regarding criminal activity or regulatory violations, or both.

(e) 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. If an occupational licensee fails to notify the commission of a violation of the Act or this title by a riverboat licensee, a supplier licensee, or an occupational licensee, the commission may initiate a disciplinary action. (*Indiana Gaming Commission; 68 IAC 2-3-9; filed Nov 10, 1994, 11:00 a.m.: 18 IR 500; filed Aug 20, 1997, 7:11 a.m.: 21 IR 11; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898; filed Sep 30, 2004, 11:00 a.m.: 28 IR 535*)

68 IAC 2-3-9.1 Duty to update information

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

LICENSES AND APPROVAL OF ASSOCIATED EQUIPMENT

Sec. 9.1. (a) As used in this rule, "commission agent" means one (1) of the members of the Indiana state police department who is assigned to work with the commission and who is on duty.

(b) All occupational licensees must submit, in writing, to the commission agent the following information:

- (1) Name changes.
- (2) Change of home address.
- (3) Change of home telephone number.
- (4) The filing of a bankruptcy by the occupational licensee.
- (5) That the occupational licensee has been arrested for, indicted of, charged with, convicted of, or plead guilty to any felony or misdemeanor offense.
- (6) Any other information that would affect the occupational licensee's suitability to maintain a license under the Act or 68 IAC 2-3 [this rule].

(c) The written document setting forth the above information required by subsection (b) must also set forth the name and occupational license number of the individual.

(d) The written document must be submitted within ten (10) calendar days of the change or the occurrence of the event. (*Indiana Gaming Commission; 68 IAC 2-3-9.1; filed Feb 18, 1998, 9:45 a.m.: 21 IR 2311; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-3-9.2 Riverboat licensee's duty to update commission

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 9.2. (a) This rule applies to all riverboat licensees.

(b) As used in this rule, "commission agent" means one (1) of the members of the Indiana state police department who is assigned to work with the commission and who is on duty.

(c) Riverboat licensees must advise the commission 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.
- (2) The occupational licensee is suspended by the riverboat licensee.
- (3) The occupational licensee is on a leave of absence.
- (4) The occupational licensee transfers to another position with the riverboat licensee.

(d) The form utilized by the riverboat licensee to report the information set forth in subsection (c) must provide, at a minimum, the following information:

- (1) The name of the occupational licensee.
- (2) The address of the occupational licensee.
- (3) The telephone number of the occupational licensee.
- (4) The occupational license number.
- (5) The marital status of the occupational licensee.
- (6) The date the change or action will take effect.
- (7) The job title and position of the occupational licensee affected.
- (8) The reason for the change or action taken.
- (9) If the occupational licensee was terminated, whether the termination was voluntary or involuntary.
- (10) If the occupational licensee was terminated, whether or not the riverboat licensee collected the identification badge from the occupational licensee.
- (11) The signature of the individual completing the form for the riverboat licensee and the date on which the form was completed.

The form must be submitted to the commission agent within fifteen (15) days of the occurrence of the change or action.

(e) Riverboat licensees must collect the identification badge issued by the commission to an occupational licensee when the occupational licensee's employment with the riverboat licensee is terminated for any reason. All identification badges collected by the riverboat licensee must be turned over to a commission agent within seven (7) days. (*Indiana Gaming Commission; 68 IAC 2-3-9.2; filed Feb 18, 1998, 9:45 a.m.: 21 IR 2313; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-3-9.3 Prohibited activities

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 9.3. No occupational licensee may:

- (1) loan money to a patron;
- (2) purchase an item from a patron;
- (3) pawn an item for a patron;
- (4) cash a check for a patron; or
- (5) assist the patron;

in any manner not authorized by this title, in obtaining chips, tokens, cash, or cash equivalents with which the patron may place a wager. (*Indiana Gaming Commission; 68 IAC 2-3-9.3; filed Feb 18, 1998, 9:45 a.m.: 21 IR 2314; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-3-10 Restriction, revocation, or other action regarding the occupational license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-8-8

Sec. 10. (a) The commission may take action, including, but not limited to, revocation, suspension, or restriction of an occupational license at any time that the commission determines the occupational licensee is in violation of the Act or this rule.

(b) If the commission determines that an occupational licensee is in violation of this rule or IC 4-33-8, the commission may initiate a disciplinary proceeding to revoke, restrict, or take any other disciplinary action with respect to the occupational license pursuant to 68 IAC 13. (*Indiana Gaming Commission; 68 IAC 2-3-10; filed Nov 10, 1994, 11:00 a.m.: 18 IR 500; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-3-11 Request for review of or hearing on notice of denial or nonrenewal of occupational license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-8-3; IC 4-33-8-11

Sec. 11. (a) An applicant who is served with a notice of denial under section 5 of this rule or nonrenewal under section 8 of this rule may request a waiver of the requirements of IC 4-33-8-3 under 68 IAC 2-4 or a hearing on the notice of denial or nonrenewal under 68 IAC 7.

(b) If the applicant does not request a waiver or a hearing on the notice of denial or nonrenewal, the denial or nonrenewal becomes the final order of the commission denying the application for an occupational license. (*Indiana Gaming Commission; 68 IAC 2-3-11; filed Nov 10, 1994, 11:00 a.m.: 18 IR 500; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-3-12 Waiver, alteration, or restriction of requirements

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-8-2; IC 4-33-8-7

Sec. 12. The commission may waive, alter, or restrict any licensing requirement or procedure if the commission determines that the procedure or requirement is impractical, or burdensome, and such waiver, alteration, or restriction is in the best interest of the public and the gaming industry, and is not outside the technical requirements necessary to serve the purpose of the requirement or procedure. (*Indiana Gaming Commission; 68 IAC 2-3-12; filed Nov 10, 1994, 11:00 a.m.: 18 IR 500; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

Rule 4. Waiver of Convicted Felon Disqualification

68 IAC 2-4-1 Coverage of rule

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-21.5-3; IC 4-33-3-23; IC 4-33-4-17; IC 4-33-8-3; IC 4-33-8-11

Sec. 1. (a) The following definitions apply throughout this rule:

(1) "Petitioner" means the person who has requested a waiver of the requirements of IC 4-33-8-3, which provides that an individual who has been convicted of a felony under Indiana law, the laws of any other state, or the laws of the United States shall not receive an occupational license.

(2) "Riverboat license applicant" means an applicant for a riverboat owner's license that has been issued a certificate of suitability under 68 IAC 2-1-5.

(b) A person whose application for an occupational license under 68 IAC 2-3 has been denied because of a felony conviction in accordance with IC 4-33-8-3(2) may request a waiver under IC 4-33-8-11. Upon receipt of the request for a waiver of the requirements of IC 4-33-8-3, the commission shall schedule a review on the request for a waiver. A review under this rule is not an appeal of commission action. A review must be undertaken before the person may request a hearing on the denial of the application for occupational license under 68 IAC 7-1.

(c) A petitioner may request a waiver of the requirements of IC 4-33-8-3 if a riverboat licensee or a riverboat license applicant indicates, in writing, that it would employ the petitioner upon the issuance of a waiver.

(d) The petitioner shall submit the original and two (2) copies of any request, pleading, or other written document submitted to the commission or the review officer, or both.

(e) An action involving a request for waiver under this rule must also comply with IC 4-21.5.3 [sic., IC 4-21.5-3]. (*Indiana Gaming Commission; 68 IAC 2-4-1; filed Nov 10, 1994, 11:00 a.m.: 18 IR 501; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-4-2 Requests for waivers

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-3-23; IC 4-33-4-17; IC 4-33-8-3; IC 4-33-8-11

Sec. 2. (a) A request for waiver shall meet the following requirements:

(1) Be in writing.

(2) State the name, current address, and current telephone number of the petitioner.

(3) State the level of occupational license the petitioner has applied for and the job a riverboat licensee or a riverboat license applicant has offered the petitioner.

(4) State briefly the facts upon which the petitioner will rely to show that the petitioner has been rehabilitated.

(5) A request for a waiver shall be signed, verified, and dated by the petitioner. Such verification shall be notarized and shall include a certification stating, "Under the penalty of perjury, the undersigned has examined this request for review and to the best of my knowledge and belief, it is true, complete, and correct."

(b) A request for a waiver shall be submitted within ten (10) days after the date of delivery of the notice of denial and shall meet the following requirements:

(1) The petitioner may submit a request for waiver by:

(A) personal delivery;

(B) certified mail, postage prepaid;

(C) overnight express mail, postage prepaid; or

(D) personal delivery to the commission agent who receives the completed application from a person seeking an occupational license, Level 2 or 3.

(2) A request for a waiver shall be submitted to the executive director at the commission's office in Indianapolis, Indiana, unless it is personally submitted to the commission agent at the dock site.

(3) A request for a waiver submitted by certified mail or overnight express mail shall be deemed timely submitted if it is postmarked no later than ten (10) days after service of the notice of denial.

(c) A request for a waiver may not be withdrawn if the commission determines that withdrawal is not in the best interest of the public or the gaming industry. If the commission allows a petitioner to withdraw its waiver request, the denial of the issuance of an occupational license becomes a final commission order. (*Indiana Gaming Commission; 68 IAC 2-4-2; filed Nov 10, 1994, 11:00*)

a.m.: 18 IR 501; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)

68 IAC 2-4-3 Appearances; service

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-21.5-3; IC 4-33-8-7; IC 4-33-8-11

Sec. 3. A petitioner may represent himself or herself or be represented by an attorney or representative who is in compliance with 68 IAC 1-6. Service shall be made in accordance with 68 IAC 1-6-4(c). (*Indiana Gaming Commission; 68 IAC 2-4-3; filed Nov 10, 1994, 11:00 a.m.: 18 IR 501; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-4-4 Review of a request for waiver

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-3; IC 4-33-8-11

Sec. 4. (a) Upon receipt of a request for waiver, the executive director shall assign one (1) person to serve as the review officer to conduct the review. The executive director, deputy director, and staff members of the commission who are attorneys are eligible to serve as review officers. The petitioner shall be served with a copy of the letter of appointment and such letter shall serve as notice of the pendency of the review.

(b) A review of the request for waiver shall be scheduled by the review officer within ninety (90) days from the receipt of the request for waiver. The review officer shall notify the petitioner in writing of the date, time, and place at which the review will be conducted. (*Indiana Gaming Commission; 68 IAC 2-4-4; filed Nov 10, 1994, 11:00 a.m.: 18 IR 501; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-4-5 Discovery procedures for a review of a request for waiver

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-3; IC 4-33-8-11

Sec. 5. (a) The petitioner shall provide the review officer with the following information at least fifteen (15) days before the date of the review:

(1) The name and address of any witness who may be called to testify on behalf of the petitioner.

(2) All documents or other material, whether or not in the possession and control of the petitioner that the petitioner reasonably expects will be necessary to introduce at the review.

(b) The commission, through its investigative teams, may conduct a background investigation of the petitioner. If a background investigation is conducted, a summary of the results of this investigation shall be provided to the review officer and the petitioner. (*Indiana Gaming Commission; 68 IAC 2-4-5; filed Nov 10, 1994, 11:00 a.m.: 18 IR 502; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-4-6 Review proceedings

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-11

Sec. 6. (a) The burden of proof is at all times upon the petitioner. The petitioner shall have the affirmative responsibility of establishing by a preponderance of the evidence that the petitioner is rehabilitated under IC 4-33-8-11.

(b) Any testimony shall be given under oath or affirmation.

(c) The petitioner may present his or her case. The review officer may question witnesses called by the petitioner. The review officer may then question the petitioner based on the testimony and evidence presented by the petitioner and the information gathered by the investigative teams.

(d) At the discretion of the review officer, the petitioner may present closing argument. The length of the closing argument shall be set by the review officer. (*Indiana Gaming Commission; 68 IAC 2-4-6; filed Nov 10, 1994, 11:00 a.m.: 18 IR 502; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-4-7 Rules of evidence during the review

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-8-11

Sec. 7. (a) The hearing need not be conducted according to technical rules of evidence. Any relevant evidence may be admitted and shall be sufficient in itself to support a finding if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rules that might make improper the admission of such evidence over objection in a civil action. Hearsay may support a finding of the review officer if it is the best evidence available and has sufficient indicia of trustworthiness and reliability.

(b) The petitioner should, to the fullest extent possible, stipulate all matters that are not or should not be in dispute.

(c) The review officer may take official notice of any generally accepted information or technical or scientific matter within the field of gaming and any other fact that may be judicially noticed by the courts of Indiana. The petitioner shall be informed of any information, matters, or facts so noticed, and shall be given reasonable opportunity to refute such evidence. (*Indiana Gaming Commission; 68 IAC 2-4-7; filed Nov 10, 1994, 11:00 a.m.: 18 IR 502; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-4-8 Continuances

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-8-11

Sec. 8. (a) A motion to continue a review must be made at least ten (10) days before the review date unless the requesting party can show good cause.

(b) Continuances may be granted by the review officer upon a showing of good cause.

(c) The review officer may order a continuance of a hearing on the review officer's own initiative. (*Indiana Gaming Commission; 68 IAC 2-4-8; filed Nov 10, 1994, 11:00 a.m.: 18 IR 502; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-4-9 Transmittal of record and recommendation to the commission

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33-8-11

Sec. 9. (a) The record shall consist of the following:

- (1) The notice of denial and request for review.
- (2) All evidence received.
- (3) A statement of matters officially noticed.
- (4) A summary of the results of the background investigation.
- (5) The criminal record or criminal history of the petitioner.
- (6) The written recommendations and findings of fact made by the review officer.
- (7) An original transcription or tape of the oral proceedings.

(b) Oral proceedings shall be recorded, at the direction of the review officer, stenographically or by such other means as to adequately ensure the preservation of such testimony or oral proceedings and shall be transcribed at the request of the petitioner or the commission. The requesting party shall pay for the transcript at the prevailing rate. The original transcript, if prepared, shall be filed with the commission. A party that did not order the original transcript may obtain a copy of the transcript after paying the appropriate cost.

(c) At the conclusion of the review, the review officer shall issue to the commission written findings of fact and recommendations. Findings of fact may be based on the evidence presented, matters officially noticed, the criminal record or history of the petitioner, and the results of the investigative teams' background investigations. In determining whether the petitioner has demonstrated rehabilitation, the review officer shall consider the factors set forth in IC 4-33-8-11.

(d) Requirements for a final commission order shall be as follows:

(1) The commission shall issue its order in one (1) of the following manners:

- (A) The commission may issue an order by adopting the written findings of fact and recommendations of the review officer without further review.

(B) After a review of the entire record, the commission may render a written order, including the basis for its decision. The commission may adopt the findings of fact and recommendations of the review officer as the final commission order after the review.

(C) The commission may review the request for review of the convicted felon disqualification de novo.

(2) A copy of the final commission order shall be served on petitioner by personal delivery or certified mail.

(3) A final commission order shall become effective upon personal delivery to the petitioner or upon posting of certified mail.

(e) A petitioner who fails to receive an occupational license after a review under this rule may request a hearing under 68 IAC 7. (*Indiana Gaming Commission; 68 IAC 2-4-9; filed Nov 10, 1994, 11:00 a.m.: 18 IR 502; errata filed Nov 1, 1995, 8:30 a.m.: 19 IR 353; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-4-10 Settlement offers

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-11

Sec. 10. (a) The parties may propose settlement offers to the review officer or the commission at any stage of the proceedings where time, the nature of the proceeding, and public interest permit. Such offers may be made at any time prior to the entry of a final order, including prior to the initiation of the proceedings. The review officer or the commission may require that any of the parties to the offer make an oral or written presentation to the review officer or the commission regarding the settlement offer.

(b) Settlement agreements shall meet the following requirements:

(1) Be in writing.

(2) Be signed by the parties to the settlement offer.

(3) Be consistent with the provisions and objectives of the law.

(4) Accurately reflect all the terms of the settlement.

(5) Be served on the commission at the commission's office in Indianapolis, Indiana, by hand delivery, certified mail, or overnight mail.

(6) Be accompanied by a proposed order.

(c) If the commission votes to reject a settlement offer, the chair shall direct the executive director to notify the parties in writing, by certified mail or personal delivery, that the settlement offer was rejected. The offer and any documents relating to the offer shall not constitute a part of the record. (*Indiana Gaming Commission; 68 IAC 2-4-10; filed Nov 10, 1994, 11:00 a.m.: 18 IR 503; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-4-11 Prohibition on ex parte communication

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-11

Sec. 11. A party or its representative shall not communicate directly or indirectly with the review officer regarding any pending matter, except upon notice and opportunity for all parties to participate. A party who has ex parte communication with the review officer may be subject to the sanctions and penalties set forth in section 12 of this rule. (*Indiana Gaming Commission; 68 IAC 2-4-11; filed Nov 10, 1994, 11:00 a.m.: 18 IR 503; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-4-12 Sanctions and penalties

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-11

Sec. 12. (a) The review officer may impose sanctions and penalties if the review officer finds that a party has acted in bad faith, for the purpose of delay, or has otherwise abused the hearing process. Such sanctions and penalties include, but are not limited to, default judgment or directed finding on one (1) or more issues, or a fine.

(b) If a petitioner fails to testify on his or her own behalf with respect to any question propounded to him or her, the review officer may infer therefrom that such testimony or answer would have been adverse to the case of the party refusing to testify.

(c) If the petitioner fails to answer a subpoena or refuses to testify fully at the request of the commission, such failure may be

deemed independent grounds for a finding that the petitioner should have been denied a license. The review officer may also infer therefrom that such testimony would have been adverse to the petitioner.

(d) The unexcused failure of the petitioner to appear at a review shall constitute an admission of all matters and facts contained in the notice of denial. In such case, the review officer may take action based upon such admission or upon any other evidence, including affidavits, without any further notice to the petitioner. (*Indiana Gaming Commission; 68 IAC 2-4-12; filed Nov 10, 1994, 11:00 a.m.: 18 IR 503; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

Rule 5. Occupational Training Schools

68 IAC 2-5-1 Coverage of rule

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-9; IC 4-33-8-10; IC 20-12-5.5-1

Sec. 1. (a) This rule applies to occupational training schools that are located in Indiana and to occupational training schools that are located outside of Indiana, but directly recruit students within Indiana.

(b) A riverboat licensee or riverboat license applicant shall not enter into a written agreement with an occupational training school that offers training for occupational licensees under IC 4-33-8-9 unless the occupational training school is in compliance with this rule.

(c) As used in this rule, "applicant" means:

(1) an occupational training school that is seeking accreditation or has applied for a training license, or both; or

(2) is a higher education institution under IC 20-12-5.5-1 or is an accredited institution under the Higher Education Act (20 U.S.C. 1001).

(d) Riverboat licensees or riverboat license applicants that provide training for their employees are exempt from this rule.

(e) This rule does not preclude a supplier licensee from providing a demonstration of its equipment or training for the use of its equipment to a riverboat licensee, a riverboat license applicant, or the riverboat licensee's employees.

(f) For purposes of this rule, the Indiana commission on proprietary education is acting as an agent of the commission. (*Indiana Gaming Commission; 68 IAC 2-5-1; filed Nov 10, 1994, 11:00 a.m.: 18 IR 504; filed Dec 11, 1995, 4:30 p.m.: 19 IR 1024; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-5-2 Procedure for approval and accreditation of occupational training school

Authority: IC 4-33-4-1; IC 4-33-4-2

Affected: IC 4-33-8-9; IC 4-33-8-10; IC 20-12-76

Sec. 2. (a) An applicant that is not a higher education institution or is not accredited under the Higher Education Act (20 U.S.C. 1001) must obtain and maintain a training license. The procedures, requirements, and fees set forth in 68 IAC 2-2 for obtaining a supplier's license shall apply to training licenses.

(b) Before an applicant may apply for accreditation by the Indiana commission on proprietary education, the applicant must complete and submit the following:

(1) A supplier's license application in compliance with 68 IAC 2-2.

(2) The appropriate Personal Disclosure Form 1 in accordance with 68 IAC 2-2-4(b).

(3) The nonrefundable application fee in accordance with 68 IAC 2-2-2.

(c) Before an applicant may receive a training license, it must:

(1) be accredited by the Indiana commission on proprietary education;

(2) enter into a written agreement or have established an intent to enter into a written agreement, pursuant to subsection (d), with a riverboat licensee, riverboat licensees, or a riverboat license applicant as soon as this rule is complied with; and

(3) have its curriculum approved by the commission under section 4 of this rule.

(d) The written agreement shall set forth the following information:

(1) The name, business address, and business telephone number of the occupational training school.

(2) The name, business address, and business telephone number of the riverboat licensee or riverboat license applicant.

(3) The game or games that will be taught by the occupational training school.

(4) An indication that the riverboat licensee or riverboat license applicant will consider individuals that have successfully completed the occupational training school for employment.

(5) Any other information deemed necessary by the commission to ensure compliance with the Act and this title.

(e) To receive accreditation, an applicant must comply with all the requirements of the commission on proprietary education necessary to obtain accreditation under IC 20-1-19 [*IC 20-1 was repealed by P.L.1-2005, SECTION 240, effective July 1, 2005. See IC 20-12-76.*] and 570 IAC.

(f) An applicant that is a higher education institution or is accredited under the Higher Education Act (20 U.S.C. 1001) must have its curriculum approved by the commission under section 4 of this rule. (*Indiana Gaming Commission; 68 IAC 2-5-2; filed Nov 10, 1994, 11:00 a.m.: 18 IR 504; filed Dec 11, 1995, 4:30 p.m.: 19 IR 1025; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-5-3 Display of license; disclaimer

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-9; IC 4-33-8-10

Sec. 3. (a) An occupational training school that is not a higher education institution shall display its training license in a prominent place. The training license shall be displayed in close proximity to the statement in subsection (b).

(b) The occupational training school shall display in a prominent place, on its application for admission, and on other materials disseminated to potential students, the following:

“GRADUATION FROM THIS SCHOOL DOES NOT ASSURE THE GRADUATE THAT HE OR SHE WILL BE LICENSED BY THE INDIANA GAMING COMMISSION OR WILL BE HIRED BY A RIVERBOAT LICENSEE. ALL INDIVIDUALS MUST MAKE A SEPARATE APPLICATION FOR AN OCCUPATIONAL LICENSE AND MEET THE INDIANA GAMING COMMISSION'S STANDARDS TO WORK ON A RIVERBOAT.”

(*Indiana Gaming Commission; 68 IAC 2-5-3; filed Nov 10, 1994, 11:00 a.m.: 18 IR 504; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-5-4 Curriculum

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-9; IC 4-33-8-10

Sec. 4. (a) For each course submitted to the commission for approval, the occupational training school shall include the following:

(1) The course title.

(2) The objective or goal the course is designed to meet.

(3) An outline of the content of the course showing the major elements or items of instruction, the number of teacher contact hours of instruction for each element of the course, the number of practice hours required, and the total number of hours for the course.

(4) The entrance requirements imposed, if any, including, but not limited to, education, physical fitness, or dexterity.

(5) The proposed tuition and any other charges or cost to the student.

(6) The maximum number of students that will be permitted to enroll in one (1) session of the course or program.

(7) The number of work stations in the shop or laboratory, including the number and type of gaming tables and equipment to be used.

(8) The nature of the skill and knowledge students are expected to have upon completion of the course or program and the testing program to be used to test the students' competency levels.

(9) The student-teacher, student-table, and table-teacher ratios for each course or program.

(10) A copy of all written material to be utilized in the course or program.

(11) A description of the method and frequency by which the course will be evaluated in relation to its goals and objectives.

(12) Any other information the commission deems necessary to ensure compliance with the Act and this title.

(b) Any course or program designed to prepare a student as a dealer shall adhere to the following minimum hours:

(1) Two hundred (200) hours to deal craps.

(2) One hundred fifty (150) hours to deal roulette.

(3) One hundred thirty (130) hours to deal blackjack.

(4) Eighty (80) hours to deal baccarat.

(5) Two hundred (200) hours to deal poker.

(c) For a student being trained to deal a second or subsequent game, the following minimum hours shall be adhered to:

(1) One hundred twenty (120) hours to deal craps.

(2) Ninety (90) hours to deal roulette.

(3) Eighty (80) hours to deal blackjack.

(4) Fifty (50) hours to deal baccarat.

(5) One hundred twenty (120) hours to deal poker.

(d) For any course or program not listed in subsection (b) or (c), the required minimum hours of training and instruction will be determined by the commission on a case-by-case basis. The required minimum hours will be based on the number of hours the commission determines is necessary to ensure the occupational licensee will possess the level of skill, experience, and knowledge necessary to perform the job.

(e) For a student being trained to be a slot technician, there shall be a minimum of one hundred fifty (150) hours of instruction. (*Indiana Gaming Commission; 68 IAC 2-5-4; filed Nov 10, 1994, 11:00 a.m.: 18 IR 505; filed Jul 18, 1996, 8:55 a.m.: 19 IR 3299; filed Oct 18, 1999, 1:27 p.m.: 23 IR 538; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-5-5 Equipment

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-9; IC 4-33-8-10

Sec. 5. (a) All gaming equipment utilized for training purposes in an occupational training school shall conform to the requirements set forth in the Act and this title.

(b) Each occupational training school shall keep an itemized list of its dealing shoes, gaming tables, cards, dice, roulette wheels, and other gaming equipment. The occupational training school or applicant shall submit its itemized list of equipment to the commission immediately upon receipt of any of the equipment. The itemized list shall be updated within ten (10) business days of any change in the inventory of gaming equipment. If any of the equipment is sold or no longer utilized, the occupational training school shall advise the executive director, in writing, that the equipment is no longer utilized and what happened to the equipment. The itemized list shall have additions and omissions made as they occur.

(c) Gaming equipment possessed by an occupational training school or an applicant may not be sold by the occupational training school or applicant except in accordance with applicable state and federal law.

(d) An occupational training school shall utilize chips and tokens that are distinctly dissimilar to chips and tokens used by riverboat licensees or proposed by riverboat license applicants. Representative samples of chips and tokens must be submitted to the commission for approval before they are utilized by an applicant or an occupational training school.

(e) The occupational training school or applicant must have its name permanently imprinted or affixed to the gaming equipment utilized. (*Indiana Gaming Commission; 68 IAC 2-5-5; filed Nov 10, 1994, 11:00 a.m.: 18 IR 505; errata filed Nov 1, 1995, 8:30 a.m.: 19 IR 353; filed Dec 11, 1995, 4:30 p.m.: 19 IR 1025; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-5-6 Security

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-9; IC 4-33-8-10

Sec. 6. (a) Each occupational training school shall provide adequate security for the protection of its gaming equipment, chips, and tokens.

(b) The gaming equipment, chips, and tokens utilized by an occupational training school shall be used only for the purpose of training students.

(c) The occupational training school shall receive written approval from the executive director before the occupational training school sells or disposes of any gaming equipment, chips, or tokens utilized by the occupational training school.

(d) The occupational training school shall report, in writing, to the executive director, any thefts, removal, or loss of any gaming equipment, chips, and tokens utilized by the occupational training school within five (5) days of the theft, removal, or loss of the

equipment. (*Indiana Gaming Commission; 68 IAC 2-5-6; filed Nov 10, 1994, 11:00 a.m.: 18 IR 505; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-5-7 Requirement that instructors obtain occupational license

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33-8-9; IC 4-33-8-10

Sec. 7. The instructors hired by an occupational training school shall obtain an occupational license, Level 3 under 68 IAC 2-3-1. (*Indiana Gaming Commission; 68 IAC 2-5-7; filed Nov 10, 1994, 11:00 a.m.: 18 IR 506; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

Rule 6. Electronic Gaming Device Rules

68 IAC 2-6-1 General provisions

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3; IC 4-33-4-5

Affected: IC 4-33

Sec. 1. (a) This rule applies to riverboat licensees.

(b) All electronic gaming devices used on a riverboat must meet the specifications set forth in this rule.

(c) The following definitions apply throughout this rule:

(1) "Commission agent" means one (1) of the members of the Indiana state police department who is assigned to work with the commission's gaming enforcement section and who is on duty.

(2) "Inappropriate token-in" means a token which has been accepted by an electronic gaming device after the electronic gaming device has already accepted the maximum number of tokens or when the electronic gaming device is in a state which normally rejects additional tokens.

(3) "Leakage current" means an electrical current which flows when a conductive path is provided between exposed portions of an electronic gaming device and the environmental electrical ground when the electronic gaming device is isolated from the normal AC power ground.

(4) "Par sheet" means a document, provided by the electronic gaming device manufacturer, which depicts the possible outcomes from the play of an electronic gaming device, the probability of occurrence of each, and the contribution of each winning outcome to the payback percentage of the electronic gaming device.

(5) "RAM" or "random access memory" means the electronic component used for computer work space and storage of volatile information in an electronic gaming device.

(6) "Randomness" means the unpredictability and absence of pattern in the outcome of an event or sequence of events.

(7) "Random number generator" means hardware, software, or combination of hardware and software devices for generating number values that exhibit characteristics of randomness.

(8) "ROM" or "read only memory" means the electronic component used for storage of nonvolatile information in an electronic gaming device, including programmable ROM and erasable programmable ROM.

(9) "Runs test" means a mathematical statistic that determines the existence of recurring patterns within a set of data.

(10) "Sensitive keys" means keys that either management or the commission considers sensitive to the riverboat licensee's operation and therefore require strict control over custody and issuance in accordance with 68 IAC 11-7.

(11) "Standard chi-squared analysis" means the sum of the squares of the difference between the expected result and the observed result.

(12) "Tilt condition" means a programmed error state for an electronic gaming device which occurs when the electronic gaming device detects an internal error, malfunction, or attempted cheating. The electronic gaming device ceases processing further input, output, or display information other than that indicating the tilt condition itself.

(d) Before an individual may enter an electronic gaming device for any reason, the individual must insert a card into the electronic gaming device that will record, at a minimum, the following information on the central computer system:

(1) The identity of the individual entering the electronic gaming device.

(2) The date and time that the electronic gaming device is entered.

(3) The date and time that the electronic gaming device is exited.

(4) The identity of the electronic gaming device that is entered.

(e) After an individual has entered an electronic gaming device for any reason, the individual must complete a log that is maintained inside the electronic gaming device. The log shall contain, at a minimum, the following information:

(1) The name and occupational license number of the individual entering the electronic gaming device.

(2) The date and time that the electronic gaming device is entered.

(3) The date and time that the electronic gaming device is exited.

(4) The identity of the electronic gaming device.

(5) The reason for the entry.

(f) A riverboat licensee may not offer a prize to a patron who achieves a certain winning combination on an electronic gaming device unless the value of the prize is computed into the payout percentage of the EPROM installed in the electronic gaming device. (*Indiana Gaming Commission; 68 IAC 2-6-1; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1300; filed Aug 20, 1997, 7:11 a.m.: 21 IR 11; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-2 Equipment licensure and approval

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3; IC 4-33-4-5

Affected: IC 4-33

Sec. 2. (a) All electronic or mechanical gambling games must be licensed by the commission prior to use.

(b) The following may not be used for gaming by any riverboat licensee without prior written approval of the executive director:

(1) Bill acceptors or bill validators.

(2) Token acceptors.

(3) Progressive controllers.

(4) Signs.

(5) Associated gaming equipment as provided for in 68 IAC 2-7.

(c) The licensure must describe with particularity the equipment or device approved.

(d) The approval must describe with particularity the equipment or device approved. (*Indiana Gaming Commission; 68 IAC 2-6-2; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1301; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-3 Testing

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3; IC 4-33-4-5

Affected: IC 4-33-4-5

Sec. 3. (a) The following must be tested prior to licensure or approval for use:

(1) All electronic gaming devices.

(2) Any other device or equipment as the executive director may deem necessary to ensure compliance with the Act and this title.

(b) The executive director may take the following actions:

(1) Employ the services of an outside independent gaming test laboratory to conduct the testing.

(2) Bill those riverboat licensees requesting licensure or approval of the devices or equipment through any billing mechanism the executive director deems appropriate.

(c) Licensure or approval shall not be issued unless payment for all costs of testing is current.

(d) Licensure, approval, or the denial thereof, of electronic gaming devices, any other device, or equipment will be issued in accordance with IC 4-33-4-5. (*Indiana Gaming Commission; 68 IAC 2-6-3; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1301; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-4 Appeal of test results

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 4. (a) An applicant who is served with a notice of denial under this rule may request a hearing under 68 IAC 7-1.

(b) If the applicant does not request a hearing within ten (10) days after service of notice of denial as provided in 68 IAC 7-1-2(b), the notice of denial becomes the final order of the commission. (*Indiana Gaming Commission; 68 IAC 2-6-4; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1301; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-5 Security and audit specifications

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 5. Electronic gaming devices must meet the following security and audit specifications:

- (1) Be controlled by a microprocessor.
- (2) Be connected and communicating to the central computer system.
- (3) Have an internal enclosure for the circuit board which is locked or sealed, or both, prior to game play.
- (4) Be able to continue a game with no loss of data after a power failure.
- (5) Have game data recall for the current game and the previous four (4) games.
- (6) Have a random selection process that satisfies the ninety-nine percent (99%) confidence level using the following tests:
 - (A) Standard chi-squared.
 - (B) Runs.
 - (C) Serial correlation.

These tests must not be predictable by players.

- (7) Clearly display applicable rules of play and the payout schedule.
- (8) Display an accurate representation of each game outcome utilizing:
 - (A) rotating reels;
 - (B) video monitors; or
 - (C) any other type of display mechanism that accurately depicts the outcome of the game.
- (9) Display an external registration tag and number issued by the commission.
- (10) The par sheet for the program utilized in an electronic gaming device must be stored in the electronic gaming device.

(*Indiana Gaming Commission; 68 IAC 2-6-5; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1301; filed Aug 20, 1997, 7:11 a.m.: 21 IR 12; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-6 Electronic gaming device inventory requirements; conversion notification

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 6. (a) The riverboat licensee must maintain an inventory of electronic gaming devices and equipment. The inventory must include the following:

- (1) The serial number assigned to the electronic gaming device by the manufacturer.
- (2) The registration number issued by the commission.
- (3) The type of game the electronic gaming device is designed and used for.
- (4) The denomination of tokens accepted by each electronic gaming device.
- (5) The location of electronic gaming devices equipped with bill validators and any bill validators that stand alone.
- (6) The manufacturer of the electronic gaming device.
- (7) The location of the electronic gaming device.

(b) This inventory report must be submitted, on a form prescribed by the commission, to the executive director on the anniversary date of the issuance of the riverboat owner's license.

(c) If a riverboat licensee converts an electronic gaming device, the riverboat licensee must take the following steps:

- (1) Request permission for the conversion from the commission and supply the commission with the following information:
 - (A) The serial number of the electronic gaming device that is being converted.
 - (B) The commission registration number of the electronic gaming device that is being converted.
 - (C) The machine number of the electronic gaming device that is being converted.

- (D) The model number of the electronic gaming device that is being converted.
- (E) The type of electronic gaming device that is being converted and the new type of machine if the type of machine is changed.
- (F) The location of the electronic gaming device on the riverboat.
- (G) If the electronic gaming device is a stand alone progressive or is linked to a progressive controller, the old rate of progression and the new rate of progression must be submitted.
- (H) The current and future denomination of the electronic gaming device if the denomination is to be converted.
- (I) The current and future EPROM number that is installed or that is to be installed in the electronic gaming device. If a new EPROM is installed in an electronic gaming device, the EPROM must be one that is approved for use in Indiana.
- (J) Regular fill amount.
- (K) Initial fill amount.
- (L) Probe level measured from the top of the hopper.
- (M) Any other information deemed necessary by the executive director or the commission to ensure compliance with the Act and this title.

This information must be submitted to the commission at least fourteen (14) days before the riverboat licensee plans to make the conversion. The request for conversion shall have a space for the commission to sign indicating approval of the conversion request and a space for the signature of the commission agent to indicate the conversion was completed.

- (2) The commission must approve the request for conversions before a conversion may be made by the riverboat licensee.
- (3) A commission agent must KOBETRON the EPROMS to ensure that the EPROMS being installed match those on the request for conversion.
- (4) A commission agent must seal the EPROM with tape in accordance with section 19 of this rule.
- (5) In the presence of a commission agent, a slot technician or the equivalent shall ensure that the payglass installed on the electronic gaming device accurately reflects the payouts for the EPROM that has been installed in the electronic gaming device. The payglass test may be performed by either running the payout table test or by ensuring the payglass matches the approved diagram set forth in the payglass manual maintained by the commission.
- (6) The riverboat licensee shall ensure that a copy of the par sheet is placed in the electronic gaming device in accordance with section 5 of this rule.
- (7) The riverboat licensee shall 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.
- (8) The riverboat licensee must update the master list of electronic gaming devices after the conversion is complete. The riverboat licensee must provide the chief counsel for the commission and the sergeant of the Indiana state police department assigned to the riverboat with a copy of the updated master list within fourteen (14) days of the conversion.

(Indiana Gaming Commission; 68 IAC 2-6-6; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1302; filed Aug 20, 1997, 7:11 a.m.: 21 IR 12; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898; filed Dec 2, 2001, 12:35 p.m.: 25 IR 1064)

68 IAC 2-6-7 Tracking of device movement

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 7. (a) Movements on the riverboat must be made and recorded in accordance with 68 IAC 17-1.

(b) Movements onto or off the riverboat must be made and recorded in accordance with 68 IAC 17-1.

(c) Movements of electronic gaming devices into or out of this state must be made and recorded in accordance with 68 IAC 17-1. *(Indiana Gaming Commission; 68 IAC 2-6-7; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1302; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-6-8 Control program requirements

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 8. (a) Electronic gaming device control programs must test themselves for possible corruption caused by failure of the program storage media.

(b) The test methodology must detect ninety-nine and ninety-nine one hundredths percent (99.99%) of all possible failures.

(c) The control program must allow for the electronic gaming device to be continually tested during game play.

(d) The control program must reside in the electronic gaming device which is contained in a storage medium not alterable through any use of the circuitry or programming of the electronic gaming device itself.

(e) The control program must check for the following:

(1) Corruption of RAM locations used for crucial electronic gaming device functions.

(2) Information relating to the current play and final outcome of the four (4) prior games.

(3) Random number generator outcome.

(4) Error states.

(f) The control RAM areas must be checked for corruption following game initiation, but prior to display of the game outcome to the player.

(g) Detection of corruption is a game malfunction that must result in a tilt condition which identifies the error and causes the electronic gaming device to cease further function.

(h) The control program must have the capacity to display a complete play history for the current game and the previous four (4) games.

(i) The control program must display an indication of the following:

(1) The game outcome or a representative equivalent.

(2) Bets placed.

(3) Credits or tokens paid.

(4) Credits or tokens cashed out.

(5) Any error conditions.

(6) Any other information deemed necessary by the commission to ensure compliance with the Act and this title.

(j) The control program must provide the means for on-demand display of the electronic meters via a key switch on the exterior of the electronic gaming device. (*Indiana Gaming Commission; 68 IAC 2-6-8; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1302; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-9 Accounting meters

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 9. (a) An electronic gaming device must be equipped with both electronic and electromechanical meters.

(b) The electronic gaming device's electromechanical meters must have at least six (6) digits.

(c) The electronic gaming device must tally totals to eight (8) digits and be capable of rolling over when the maximum value is reached.

(d) The electronic gaming device's control program must provide the means for on-demand display of the electronic meters via a key switch on the exterior of the machine.

(e) The required electromechanical meters are as follows:

(1) The tokens-in meter must cumulatively count the number of tokens that are wagered by actual tokens inserted or credits bet.

(2) The tokens-out meter must cumulatively count the number of tokens that are paid by the hopper or credits that are bet.

(3) The tokens-dropped meter must maintain a cumulative count of the number of tokens that have been diverted into a drop bucket and credit value of all bills inserted into the bill validator for play.

(4) The jackpots-paid meter must reflect the cumulative amounts paid by an attendant for progressive and nonprogressive jackpots.

(f) Electronic meters must have an accuracy rate of ninety-nine and ninety-nine one hundredths percent (99.99%) or better.

(g) Electromechanical meters must meet a reasonable level of accuracy, given the available technology, as approved by the executive director after consultation with an outside independent gaming test laboratory.

(h) The required electronic meters are as follows:

- (1) The tokens-in meter must cumulatively count the number of tokens that are wagered by actual tokens inserted or credits bet, or both.
 - (2) The tokens-out meter must cumulatively count the number of tokens that are paid by the hopper or credits that are bet, or both.
 - (3) The tokens-dropped meter must cumulatively count the number of tokens that have been diverted into a drop bucket and the credit value of all bills inserted into the bill validator for play.
 - (4) The jackpots-paid meter must reflect the cumulative amounts paid by an attendant for progressive jackpots and nonprogressive jackpots.
 - (5) The games-played meter must display the cumulative number of games played.
 - (6) A cabinet door meter must display the number of times the front cabinet door was opened.
 - (7) The drop door meter must display the number of times the drop door or the bill validator door was opened.
 - (i) If the electronic gaming device is equipped with a bill validator, the device must be equipped with a bill validator meter that records the following:
 - (1) The total number of bills that were accepted.
 - (2) A breakdown of the number of each denomination of bill accepted.
 - (3) The total dollar amount of bills accepted.
 - (j) Electronic gaming devices must be designed so that replacement of parts or modules required for normal maintenance does not require replacement of the electromechanical meters.
 - (k) Electronic gaming devices must have meters which continuously display the following information relating to the current play or monetary transaction:
 - (1) The number of tokens or credits wagered in the current game.
 - (2) The number of tokens or credits won in the current game, if applicable.
 - (3) The number of tokens paid by the hopper for a credit cash out or a direct pay from a winning outcome.
 - (4) The number of credits available for wagering, if applicable.
- (l) Electronically stored meter information required by this section must be preserved after a power loss to the electronic gaming device and must be maintained for a period of at least one hundred eighty (180) days. (*Indiana Gaming Commission; 68 IAC 2-6-9; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1303; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-10 Clearing meters

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

- Sec. 10. (a) No electronic gaming device may have a mechanism that causes the electronic accounting meters to clear automatically when an error occurs.
- (b) Clearing of the electronic accounting meters may be done by approval of the executive director or his designee.
 - (c) Meter readings must be recorded before and after the electronic accounting meter is cleared. (*Indiana Gaming Commission; 68 IAC 2-6-10; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1304; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-11 Randomness events; randomness testing

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

- Sec. 11. (a) Events in electronic gaming devices are occurrences of elements or particular combinations of elements which are available on the particular electronic gaming device.
- (b) A random event has a given set of possible outcomes which has a given probability of occurrence called the distribution.
 - (c) Two (2) events are called independent if the following conditions exist:
 - (1) The outcome of one (1) event has no influence on the outcome of the other event.
 - (2) The outcome of one (1) event does not affect the distribution of another event.
 - (d) An electronic gaming device must be equipped with a random number generator to make the selection process. A selection process is considered random if the following specifications are met:

- (1) The random number generator satisfies at least ninety-nine percent (99%) confidence level using the standard chi-squared analysis.
- (2) The random number generator does not produce a statistic with regard to producing patterns of occurrences. Each reel position is considered random if it meets at least the ninety-nine percent (99%) confidence level with regard to the runs test or any similar pattern testing statistic.
- (3) The random number generator produces numbers which are independently chosen without regard to any other symbol produced during that play. This test is the correlation test. Each pair of reels is considered random if they meet at least the ninety-nine percent (99%) confidence level using standard correlation analysis.
- (4) Produces numbers which are chosen without reference to the series of outcomes in the previous game. This test is the serial correlation test. A reel stop position is considered random if it meets at least the ninety-nine percent (99%) confidence level using standard serial correlation analysis.
- (5) The random number generator and random selection process must be impervious to influences from outside the electronic gaming device, including, but not limited to, the following:
 - (A) Electromagnetic interference.
 - (B) Electrostatic interference.
 - (C) Radio frequency interference.
- (6) An electronic gaming device must use appropriate communication protocols to protect the random number generator and random selection process from influence by associated equipment which is conducting data communications with the electronic gaming device.

(Indiana Gaming Commission; 68 IAC 2-6-11; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1304; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)

68 IAC 2-6-12 Safety requirements

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

- Sec. 12. (a) Electrical and mechanical parts and design principles must not subject a player to physical hazards.
- (b) Spilling a conductive liquid on the electronic gaming device must not create a safety hazard or alter the integrity of the electronic gaming device's performance.
- (c) The power supply used in an electronic gaming device must be designed to make minimum leakage of current in the event of an intentional or inadvertent disconnection of the alternate current power ground.
- (d) Electronic gaming devices must be underwriter's laboratories approved or equivalent by January 1, 1997. *(Indiana Gaming Commission; 68 IAC 2-6-12; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1304; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-6-13 Surge protector

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

- Sec. 13. (a) A surge protector must be installed on each electronic gaming device.
- (b) Surge protection can be internal to the power supply or external.
- (c) A battery backup device must be installed and capable of maintaining accuracy of required electronic meter information after power is discontinued from the electronic gaming device. The device must be kept within the locked or sealed logic board compartment and be capable of sustaining the stored information for ninety (90) days. *(Indiana Gaming Commission; 68 IAC 2-6-13; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1304; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-6-14 On and off switch

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

- Sec. 14. An on and off switch that controls the electrical current used to operate the electronic gaming device must be located

in an accessible place and within the interior of the electronic gaming device. (*Indiana Gaming Commission; 68 IAC 2-6-14; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1305; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-15 Token acceptors

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 15. (a) At least one (1) electronic token acceptor must be installed in each electronic gaming device.

(b) Acceptors must be approved by the executive director to indicate that they meet the requirements of this section.

(c) Token acceptors must be designed to accept designated tokens and to reject others.

(d) The token receiver on an electronic gaming device must be designed to prevent the use of cheating methods, including, but not limited to:

(1) Slugging.

(2) Stringing.

(3) Spooning.

(e) Tokens which are accepted but not credited to the current game must be returned to the player by activation of the hopper or credited toward the next play of the electronic gaming device. The electronic gaming device control program must be capable of handling rapidly fed tokens so that frequent occurrences of this type are prevented.

(f) Electronic gaming devices must use a token acceptor that accepts or rejects a token on the basis of:

(1) metal composition;

(2) mass;

(3) composite makeup; or

(4) equivalent security.

(g) Electronic gaming devices must have suitable detectors for determining the direction and speed of token travel in the receiver. If a token traveling at improper speed or direction is detected, the electronic gaming device must enter a tilt condition and display an error condition which requires attendant intervention to clear. (*Indiana Gaming Commission; 68 IAC 2-6-15; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1305; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-16 Bill validators

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 16. (a) Electronic gaming devices may have bill validators installed into which a patron may insert currency in exchange for an equal value of electronic gaming device credits. The patron shall be able to obtain an equal number of tokens for the amount of currency that was inserted into the bill validator.

(b) Bill validator may accept the following:

(1) One dollar (\$1) bills.

(2) Five dollar (\$5) bills.

(3) Ten dollar (\$10) bills.

(4) Twenty dollar (\$20) bills.

(5) Fifty dollar (\$50) bills.

(6) One hundred dollar (\$100) bills.

(c) The bill acceptors may be for any single denomination or combination of denominations.

(d) The bill validator shall be equipped with a bill validator drop box to collect the currency inserted into the bill validator.

The bill validator drop box shall meet the following requirements:

(1) Be housed in a locked compartment separate from any other compartment of the electronic gaming device.

(2) Be accessible by a key that will access only the bill validator drop box and no other area of the electronic gaming device.

(3) Have a slot opening through which currency can be inserted.

(4) Be identifiable to the electronic gaming device from which it was removed.

(5) Have a separate lock to access the contents of the bill validator drop box. This key shall not access any other area of the

electronic gaming device.

(e) The riverboat licensee shall maintain emergency bill validator drop boxes that meet the requirements set forth in subsection (d). The emergency bill validator drop boxes shall have the word "EMERGENCY" permanently imprinted thereon. Emergency bill validator drop boxes shall be maintained in a secured area. The riverboat licensee shall submit internal control procedures for the maintenance and utilization of the emergency bill validator drop boxes in accordance with 68 IAC 11. (*Indiana Gaming Commission; 68 IAC 2-6-16; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1305; errata filed Apr 23, 1996, 4:30 p.m.: 19 IR 2289; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-17 Automatic light alarm

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 17. (a) A light must be installed on the top of the electronic gaming device that automatically illuminates when the door to the electronic gaming device is opened or associated equipment that may affect the operation of the electronic gaming device is exposed.

(b) All bar-top electronic gaming devices must have a light alarm or an audio door alarm, or both, installed. The alarm must be designed to activate when the machine is entered. (*Indiana Gaming Commission; 68 IAC 2-6-17; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1305; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-18 Access to interior

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 18. (a) The internal space of an electronic gaming device must not be readily accessible when the door is closed.

(b) The following must be in a separate locked or sealed area within the electronic gaming device:

- (1) Logic boards.
- (2) ROM.
- (3) RAM.

(c) No access to the area described in subsection (b) is allowed without prior notification to the executive director or the executive director's designee.

(d) The executive director or the executive director's designee must be allowed immediate access to the locked or sealed area. A riverboat licensee must maintain its copies of the keys to electronic gaming devices in accordance with 68 IAC 11-7. A riverboat licensee must give the executive director a master key to the door of an approved electronic gaming device. Unauthorized tampering or entrance into the logic area without prior notification in accordance with subsection (b) is grounds for disciplinary action under 68 IAC 13. (*Indiana Gaming Commission; 68 IAC 2-6-18; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1306; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-19 Tape sealed areas

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 19. Electronic gaming devices must have logic boards and any computer chips that store memory in a locked area within the electronic gaming device that is sealed with evidence tape. The evidence tape must be affixed by a commission agent and must include the date, signature, and identification number of the commission agent. This tape may only be removed by a commission agent. (*Indiana Gaming Commission; 68 IAC 2-6-19; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1306; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-20 Hardware switches

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 20. (a) No hardware switches may be installed which alter the pay tables or payout percentages in the operation of an electronic gaming device.

(b) Hardware switches may be installed to control the following:

(1) Graphic routines.

(2) Speed of play.

(3) Sound.

(4) Other approved cosmetic play features.

(Indiana Gaming Commission; 68 IAC 2-6-20; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1306; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)

68 IAC 2-6-21 Display of rules of play

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 21. (a) The rules of play for an electronic gaming device must be displayed on the face or screen of the electronic gaming device.

(b) Rules of play must have been approved by the executive director.

(c) The executive director may reject the rules if they are:

(1) incomplete;

(2) confusing; or

(3) misleading.

(d) Rules of play must be kept under glass or another transparent substance.

(e) Rules of play may not be altered without prior approval from the executive director.

(f) Stickers or other removable devices may not be placed on the electronic gaming device face unless their placement is approved or required by the executive director. *(Indiana Gaming Commission; 68 IAC 2-6-21; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1306; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-6-22 Authorized games

Authority: IC 4-33-2-9; IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 22. A riverboat licensee shall not permit any game to be played other than those specifically named in the Act and approved by the commission. For each game, the riverboat licensee shall provide a set of game rules to the executive director one hundred twenty (120) days in advance of the game's operation or within a shorter time period as the executive director may designate. *(Indiana Gaming Commission; 68 IAC 2-6-22; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1306; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-6-23 Electrostatic discharges

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 23. The following must not subject the player to physical hazards:

(1) Electrical parts.

(2) Mechanical parts.

(3) Design principles of the electronic gaming device and its component parts.

(Indiana Gaming Commission; 68 IAC 2-6-23; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1306; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)

68 IAC 2-6-24 Power supply filter

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 24. Electronic gaming device power supply filtering must be sufficient to prevent disruption of the electronic gaming device by a repeated switching on and off of the AC power. (*Indiana Gaming Commission; 68 IAC 2-6-24; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1307; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-25 Error conditions; automatic clearing

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 25. (a) Electronic gaming devices must be capable of detecting and displaying the following conditions:

- (1) Power reset.
- (2) Door open.
- (3) Inappropriate token-in if the token is not automatically returned to the player.

(b) The conditions listed in subsection (a) must be automatically cleared by the electronic gaming device upon initiation of a new play sequence. (*Indiana Gaming Commission; 68 IAC 2-6-25; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1307; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-26 Error conditions; clearing by attendant

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 26. (a) Electronic gaming devices must be capable of detecting and displaying the following error conditions which an attendant may clear:

- (1) Token-in jam.
- (2) Token-out jam.
- (3) Hopper empty or timed-out.
- (4) RAM error.
- (5) Hopper runaway or extra token paid out.
- (6) Program error.
- (7) Reverse token-in.
- (8) Reel spin error of any type, including a mis-index condition for rotating reels. The specific reel number must be identified in the error indicator.
- (9) Low RAM battery, for batteries external to the RAM itself, or low power source.

(b) A description of electronic gaming device error codes and their meanings must be affixed inside the electronic gaming device. (*Indiana Gaming Commission; 68 IAC 2-6-26; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1307; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-27 Hopper mechanism

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 27. (a) Electronic gaming devices must be equipped with a hopper which is designed to detect the following and force the electronic gaming device into a tilt condition if one (1) of the following occurs:

- (1) Jammed tokens.
- (2) Extra tokens paid out.
- (3) Hopper runaways.
- (4) Hopper empty conditions.

(b) The electronic gaming device control program must monitor the hopper mechanism for these error conditions in all game states in accordance with section 11 of this rule.

(c) All tokens paid from the hopper mechanism must be accounted for by the electronic gaming device including those paid as extra tokens during a hopper malfunction.

(d) Hopper pay limits must be designed to permit compliance by riverboat licensees with all applicable taxation laws, rules, and regulations. (*Indiana Gaming Commission; 68 IAC 2-6-27; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1307; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-28 Communication protocol

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 28. An electronic gaming device which is capable of a bidirectional communication with internal or external associated equipment must use a communication protocol which ensures that erroneous data or signals will not adversely affect the operation of the electronic gaming device. (*Indiana Gaming Commission; 68 IAC 2-6-28; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1307; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-29 Software requirements for percentage payout

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 29. The electronic gaming device must meet the following maximum and minimum theoretical percentage payouts during the expected lifetime of the electronic gaming device:

(1) The electronic gaming device must pay out at least eighty percent (80%) and not more than one hundred percent (100%) of the amount wagered unless otherwise approved by the executive director.

(2) The theoretical payout percentage must be determined using standard methods of the probability theory. The percentage must be calculated using the highest level of skill where player skill impacts the payback percentage.

(3) An electronic gaming device must have a probability of obtaining the maximum payout greater than one (1) in fifty million (50,000,000).

(*Indiana Gaming Commission; 68 IAC 2-6-29; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1307; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-30 Software requirements for continuation of game after malfunction

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 30. An electronic gaming device must be capable of continuing the current play with all the current play features after an electronic gaming device malfunction is cleared. (*Indiana Gaming Commission; 68 IAC 2-6-30; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1308; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-30.1 Integrity of electronic gaming device

Authority: IC 4-33-4-1; IC 4-33-4-2

Affected: IC 4-33-8

Sec. 30.1. (a) If the integrity of any electronic gaming device has been legitimately questioned, the riverboat licensee shall run the appropriate diagnostic tests on the device. If the riverboat licensee determines that the device is malfunctioning, the riverboat licensee shall remove the device from play until the device has been repaired and it has been determined that the device meets the requirements of the Act and this title.

(b) The riverboat licensee shall record the following information with respect to an electronic gaming device that has been removed from play:

- (1) The date and time that the integrity of an electronic gaming device was questioned.
- (2) The type of device that was questioned.
- (3) The serial number issued by the manufacturer and the registration number issued by the commission.
- (4) The length of time that the device was removed from play.
- (5) The reason that the device was not functioning properly.
- (6) The remedial action taken to ensure that the device conforms to the requirements of the Act and this title and the date on which the action was taken.
- (7) The printed name, signature, and occupational license number of all employees taking the remedial action.
- (8) If an outside company takes remedial action on the device, the following information must be maintained:
 - (A) The name of the company.
 - (B) The address of the company.
 - (C) The telephone number of the company.
 - (D) The names of any individuals who performed remedial action on the device.
- (9) A verification that the device meets the requirements of the Act and this title after the remedial action was taken.
- (10) The name, address, and telephone number of the individual who complained about the device and the nature of the complaint.

The riverboat licensee must notify the commission agent, in writing, of each electronic gaming device that has been removed from play.

(c) The records described in subsection (b) shall be maintained by the riverboat licensee for a period of one (1) year and shall be available for commission review upon request. (*Indiana Gaming Commission; 68 IAC 2-6-30.1; filed Jun 1, 1998, 3:38 p.m.: 21 IR 3711; errata filed Aug 12, 1998, 4:00 p.m.: 22 IR 125; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-31 Authorization for progressive electronic gaming devices

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 31. (a) This section authorizes the use of progressive electronic gaming devices within one (1) riverboat provided that the electronic gaming devices meet the requirements stated in sections 1 through 30 and 46 of this rule and any additional requirements imposed by sections 32 through 42 of this rule.

(b) The riverboat licensee shall notify the executive director and the commission agent of the following information prior to the utilization of progressive electronic gaming devices within the riverboat:

- (1) The serial numbers of the electronic gaming devices that are common to a single progressive link.
- (2) The commission registration number of the electronic gaming devices that are common to a single progressive link.
- (3) The odds of hitting the progressive amount on each of the electronic gaming devices that is attached to that link.
- (4) The reset value of the progressive link.
- (5) The rate of progression for that progressive link.
- (6) How the rate of progression is split between the various progressive components.
- (7) Any other information deemed necessary by the executive director or the commission to ensure compliance with the Act and this title.

(c) Wide area progressive games that link electronic gaming devices located on more than one (1) riverboat must be approved by the executive director and the commission on a case-by-case basis. (*Indiana Gaming Commission; 68 IAC 2-6-31; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1308; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-32 Progressive electronic gaming devices defined

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 32. (a) A progressive electronic gaming device is an electronic gaming device with a payoff that increases uniformly as the electronic gaming device is played.

(b) A progressive jackpot may be won where a certain preestablished criteria, which does not have to be a winning

combination, is satisfied.

(c) A bonus game where certain circumstances are required to be satisfied prior to awarding of a fixed bonus prize is not a progressive electronic gaming device and is not subject to this section and sections 33 through 42 of this rule. (*Indiana Gaming Commission; 68 IAC 2-6-32; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1308; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-33 Transferring of progressive jackpot which is in play

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 33. (a) A progressive jackpot which is currently in play may be transferred to another progressive electronic gaming device on the riverboat in the event of:

- (1) electronic gaming device malfunction;
- (2) electronic gaming device replacement; and
- (3) other good reason deemed appropriate by the executive director or the commission to ensure compliance with the Act and this title.

(b) If the events set forth in subsection (a) do not occur, the progressive award must be permitted to remain until it is won by a player or transfer is approved by the executive director. (*Indiana Gaming Commission; 68 IAC 2-6-33; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1308; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-34 Recording, keeping, and reconciliation of jackpot amount

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 34. (a) The riverboat licensee must maintain a record of the amount shown on a progressive jackpot meter.

(b) Supporting documents must be maintained to explain any reduction in the payoff amount from a previous entry.

(c) The records and documents must be retained for a period of five (5) years unless otherwise provided by the executive director in writing. (*Indiana Gaming Commission; 68 IAC 2-6-34; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1308; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-35 The progressive meter

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 35. The electronic gaming device must be linked to a progressive meter or meters showing the current payoff to all players who are playing an electronic gaming device which may potentially win the progressive amount. (*Indiana Gaming Commission; 68 IAC 2-6-35; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1309; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-36 Consistent odds on linked machines

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 36. Unless permitted by the executive director, in writing, when more than one (1) progressive electronic gaming device is linked together, each electronic gaming device on the link must have the same probability of hitting the combination that will award the progressive jackpot or jackpots. (*Indiana Gaming Commission; 68 IAC 2-6-36; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1309; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-37 Operation of progressive controller-normal mode

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 37. (a) During the normal operating mode of the progressive controller, the controller must do the following:

(1) Continuously monitor each electronic gaming device attached to the controller to detect inserted tokens or credits wagered.
(2) Multiply the accepted tokens by the programmed rate of progression and denomination in order to determine the correct amounts to apply to the progressive jackpot.

(b) The progressive display must be constantly updated as play on the link is continued. It will be acceptable to have a slight delay in the update as long as when a jackpot is triggered the jackpot amount is shown immediately.

(c) At least one (1) progressive display to which a group of progressive electronic gaming devices is linked must continuously display the amount of the progressive jackpot that a patron may win. (*Indiana Gaming Commission; 68 IAC 2-6-37; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1309; errata filed Aug 9, 1996, 10:00 a.m.: 20 IR 21; filed Mar 21, 1997, 10:00 a.m.: 20 IR 2091; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-38 Operation of progressive controller-jackpot mode

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 38. (a) When a progressive jackpot is recorded on an electronic gaming device which is attached to the progressive controller, the progressive controller must allow for the following:

(1) The displaying of the winning amount.

(2) The displaying of the electronic gaming device identification that caused the progressive meter to activate if more than one (1) electronic gaming device is attached to the controller.

(b) The progressive controller is required to send to the electronic gaming device the amount that was won. The electronic gaming device is required to update its electronic meters to reflect the winning jackpot amount consistent with this rule.

(c) When more than one (1) progressive electronic gaming device is linked to the progressive controller, the progressive controller shall automatically reset to the reset amount and continue normal play. During this time, the progressive meter or another attached approved device must display the following information:

(1) The identity of the electronic gaming device that caused the progressive meter to activate.

(2) The winning progressive amount.

(3) The new normal mode amount that is current on the link.

(*Indiana Gaming Commission; 68 IAC 2-6-38; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1309; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-39 Alternating displays

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 39. When this rule prescribes multiple items of information to be displayed on a progressive meter, it is sufficient to have the information displayed in an alternating fashion. (*Indiana Gaming Commission; 68 IAC 2-6-39; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1309; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-40 Security of progressive controller

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 40. (a) Each progressive controller linking two (2) or more progressive electronic gaming devices must be housed in a double keyed compartment in a location approved by the executive director. All keys must be maintained in accordance with 68 IAC 11-7.

(b) The executive director or the executive director's designee must be in possession of one (1) of the keys.

(c) A list of the occupational licensees having access to a progressive controller must be submitted to the executive director and updated continually.

(d) A progressive controller entry authorization log must be maintained within each controller. The log shall be on a form

prescribed by the commission and completed by an individual gaining entrance to the controller.

(e) Security restrictions must be submitted in writing to the executive director for approval at least sixty (60) days before their enforcement. All restrictions approved by the executive director will be made on a case-by-case basis in the case of a stand-alone progressive where the controller is housed in the logic area. (*Indiana Gaming Commission; 68 IAC 2-6-40; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1309; errata filed Apr 23, 1996, 4:30 p.m.: 19 IR 2289; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-41 Progressive controller; metering information

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 41. The progressive controller must keep the following information in nonvolatile memory which shall be displayed upon demand:

- (1) The number of progressive jackpots won on each progressive level if the progressive display has more than one (1) winning amount.
- (2) The cumulative amounts paid on each progressive level if the progressive display has more than one (1) winning amount.
- (3) The maximum amount of the progressive payout for each level displayed.
- (4) The minimum amount or reset amount of the progressive payout for each level displayed.
- (5) The rate of progression for each level displayed.

(*Indiana Gaming Commission; 68 IAC 2-6-41; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1310; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-42 Limits on jackpot of progressive electronic gaming devices

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 42. (a) A riverboat licensee may impose a limit on the jackpot of a progressive electronic gaming device if the limit imposed is greater than the possible maximum jackpot payout on the electronic gaming device at the time the limit is imposed.

(b) The riverboat licensee must inform the public with a prominently posted notice of progressive electronic gaming devices and their limits. (*Indiana Gaming Commission; 68 IAC 2-6-42; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1310; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-43 Electronic gaming devices tournaments

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 43. (a) Electronic gaming device tournaments may be conducted by the riverboat licensee.

(b) All tournament play must be on machines which have been tested and approved in accordance with the rules and for which the tournament feature has been enabled.

(c) All electronic gaming devices used in a single tournament shall utilize the same electronics and machine settings.

(d) Electronic gaming devices enabled for tournament play shall not accept tokens or pay out tokens. The electronic gaming devices must utilize credit points only.

(e) Tournament credits shall have no cash value.

(f) Tournament play may not be credited to electromechanical meters of the machine. (*Indiana Gaming Commission; 68 IAC 2-6-43; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1310; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-44 Qualification of players

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 44. (a) At the riverboat licensee's discretion, the riverboat licensee may establish qualification or selection criteria to limit

the eligibility of players in a tournament.

(b) Any criteria used must be reasonably related to gaming activity. (*Indiana Gaming Commission; 68 IAC 2-6-44; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1310; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-45 Rules of tournament play

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 45. (a) The riverboat licensee shall submit rules of tournament play to the executive director at least thirty (30) days in advance of the commencement of the tournament or within a shorter time period as the executive director may designate. The rules of play shall include, but not be limited to, the following:

- (1) The amount of points, credits, and playing time players will begin with.
- (2) The manner in which players will receive electronic gaming device assignments and how reassignments are to be handled.
- (3) How players are eliminated from the tournament and how the winner or winners are to be determined.
- (4) The number of electronic gaming devices each player will be allowed to play.
- (5) The amount of entry fee for participating in the tournament.
- (6) The number of prizes to be awarded.
- (7) An exact description of each prize to be awarded.
- (8) Any additional house rules governing play of the tournament.
- (9) Any rules deemed necessary by the executive director to ensure compliance with the Act and this title.

(b) The executive director shall approve the rules, in writing, within thirty (30) days of the receipt of the rules.

(c) A riverboat licensee shall not permit any tournament to be played unless the rules of tournament play have been approved by the executive director.

(d) Once rules of tournament play have been approved by the executive director, the riverboat licensee may offer a tournament utilizing the approved rules at any time. Amendments to approved rules of tournament play shall be submitted to the executive director at least thirty (30) days prior to the utilization of the amendments or within a shorter time frame as the executive director may designate. The executive director shall approve amendments to rules of tournament play within thirty (30) days of receipt of the amendments. No amendments to rules of tournament play shall be utilized by the riverboat licensee until approved by the executive director.

(e) The rules of tournament play shall be provided to all tournament players and members of the public who request a copy of the rules. (*Indiana Gaming Commission; 68 IAC 2-6-45; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1310; errata filed Apr 23, 1996, 4:30 p.m.: 19 IR 2289; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-46 Commission licensure and approval

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3; IC 4-33-4-5

Affected: IC 4-33

Sec. 46. (a) A riverboat licensee shall not use electronic gaming devices unless the devices have been licensed by the commission. The riverboat licensee shall not conduct tournaments unless approval by the executive director has been obtained, in writing, in accordance with section 45 of this rule.

(b) The riverboat licensee must submit all proposals, in writing, at least sixty (60) days before commencing use of the electronic gaming device or commencing the tournament.

(c) The executive director shall issue a decision in writing.

(d) The riverboat licensee may appeal an adverse decision to licensure of an electronic gaming device pursuant to 68 IAC 7-1. An adverse decision to tournament approval is final after review by the commission in accordance with section 49 of this rule. (*Indiana Gaming Commission; 68 IAC 2-6-46; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1311; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-47 Violation of rule

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 47. If the commission determines that a licensee is not in compliance with this rule, the commission may initiate a disciplinary action under 68 IAC 13. (*Indiana Gaming Commission; 68 IAC 2-6-47; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1311; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-48 Waiver of requirements

Authority: IC 4-33-4-1; IC 4-33-4-2
Affected: IC 4-33

Sec. 48. The executive director or the commission may waive, restrict, or alter any requirement or procedure set forth in this rule if the executive director or the commission determines that the requirement or procedure is impractical or burdensome, and such waiver, restriction, or alteration is in the best interest of the public and the gaming industry, and is not outside the technical requirements necessary to serve the purpose of the requirement or procedure. (*Indiana Gaming Commission; 68 IAC 2-6-48; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1311; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-6-49 Reports by the executive director

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33; IC 5-14-1.5-6.1

Sec. 49. The executive director shall report any action he or she has taken or contemplates taking under this rule with respect to this rule to the commission at the next meeting held under 68 IAC 1-2-5 or an executive session held under IC 5-14-1.5-6.1. (*Indiana Gaming Commission; 68 IAC 2-6-49; filed Jan 17, 1996, 11:00 a.m.: 19 IR 1311; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898; filed Sep 30, 2004, 11:05 a.m.: 28 IR 526*)

Rule 7. Associated Equipment

68 IAC 2-7-1 Approval of associated equipment required

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3
Affected: IC 4-33

Sec. 1. (a) A manufacturer or distributor of associated equipment shall not distribute associated equipment to riverboat licensees unless it has been approved by the executive director.

(b) The commission may require the manufacturer or distributor of associated equipment to obtain a supplier's license under 68 IAC 2-2.

(c) The following definitions apply throughout this rule:

(1) "Associated equipment" means any of the following:

- (A) Any equipment, mechanical, electromechanical, or electronic contrivance, component, or machine used remotely or directly in connection with gaming.
- (B) Any game that would not otherwise be classified as a gaming device, including, but not limited to, links that connect to progressive electronic gaming devices.
- (C) Computerized systems that monitor electronic gaming devices.
- (D) Equipment that affects the proper reporting of gross revenue.
- (E) Devices for weighing and counting money.
- (F) Any other equipment that the commission determines requires approval as associated equipment to ensure compliance with the Act and this title.

(2) "Riverboat license applicant" means an applicant for a riverboat owner's license that has been issued a certificate of suitability under 68 IAC 2-1-5.

(Indiana Gaming Commission; 68 IAC 2-7-1; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2654; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)

68 IAC 2-7-2 Applications and procedure for approval of associated equipment

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 2. (a) Applications for approval of associated equipment shall require that the manufacturer or distributor submit the following information on forms prescribed by the commission:

- (1) The name, business address, and business telephone number of the manufacturer or distributor.
- (2) The federal identification number, Indiana taxpayer identification number, or Social Security number of the manufacturer or distributor.
- (3) If the manufacturer or distributor is a business entity, the information set forth in subdivisions (1) and (2) must be provided for the business entity's key persons and substantial owners.
- (4) A list of the jurisdictions that have approved the associated equipment. A copy of the document of approval from each jurisdiction must be attached to the application.
- (5) Any additional information deemed necessary by the commission to enable a complete understanding of the operation and function of the associated equipment.

(b) If the executive director requires the manufacturer or distributor of associated equipment to submit the associated equipment to an independent lab, the manufacturer or distributor of the associated equipment shall provide the following information to the independent lab:

- (1) The information set forth in subsection (a).
- (2) A complete, comprehensive and technically accurate description and explanation of the associated equipment and its intended use in both technical and lay language. The document must be signed under penalty of perjury.
- (3) Detailed operating procedures of the associated equipment.
- (4) Details of all tests performed on the associated equipment, the conditions and standards under which the tests were performed, and the person that conducted the test.

(c) The independent lab shall provide the executive director with documentation regarding the following regarding the associated equipment:

- (1) Details of the tests performed on the associated equipment.
- (2) Results of the tests performed on the associated equipment.
- (3) Detailed operating procedures of the associated equipment.
- (4) Percentage calculations of the associated equipment.
- (5) Any other information deemed necessary by the executive director to ensure compliance with the Act and this title.

(d) If the manufacturer or distributor seeking approval of associated equipment holds a supplier's license issued by the commission, only that information specified in subsections (a)(4), (a)(5), (b)(2), (b)(3), and (b)(4) must be provided. *(Indiana Gaming Commission; 68 IAC 2-7-2; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2654; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-7-3 Evaluation of associated equipment

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 3. (a) The executive director may require transportation of not more than two (2) working models of associated equipment to a designated lab for review and inspection. The lab may dismantle the associated equipment and may destroy the electronic components in order to fully evaluate the equipment.

(b) The executive director may:

- (1) require the manufacturer or distributor seeking approval of the associated equipment to provide specialized equipment or the services of an independent technical expert to evaluate the equipment; and
- (2) employ an outside lab to conduct the evaluation.

(c) The manufacturer or distributor seeking approval of the associated equipment must pay the cost of the evaluation. *(Indiana*

Gaming Commission; 68 IAC 2-7-3; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2655; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)

68 IAC 2-7-4 Installation of associated equipment

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 4. A riverboat licensee shall not install or use associated equipment that has not been approved by the executive director after a determination has been made that the associated equipment complies with the technical standards set forth in this rule. *(Indiana Gaming Commission; 68 IAC 2-7-4; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2655; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-7-5 Issuance of approval of associated equipment

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 5. After the associated equipment is approved, the executive director shall advise the manufacturer and distributor, in writing, of the approval. *(Indiana Gaming Commission; 68 IAC 2-7-5; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2655; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-7-6 Alteration or revision of associated equipment

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 6. A riverboat licensee shall not alter the manner in which associated equipment operates or revise the associated equipment without prior written approval of the executive director. *(Indiana Gaming Commission; 68 IAC 2-7-6; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2655; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898)*

68 IAC 2-7-7 Revocation of approval

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 7. (a) The executive director may revoke the approval of associated equipment if the executive director determines any of the following:

- (1) The associated equipment does not perform in the manner described in the application.
- (2) The associated equipment is defective or malfunctions frequently.
- (3) The associated equipment has a detrimental impact on the conduct of a riverboat gambling operation.
- (4) The associated equipment adversely affects computation of taxes for reasons including, but not limited to, the following:
 - (A) Inaccurate computation.
 - (B) Defects.
 - (C) Malfunctions.

(b) The executive director shall notify the manufacturer or distributor of the associated equipment of the revocation of approval, in writing, immediately. The executive director shall advise the manufacturer or distributor of the associated equipment the date on which the associated equipment shall cease to be used.

(c) The executive director shall notify the riverboat licensees or riverboat license applicants that utilize the associated equipment of the revocation of approval, in writing, immediately. The executive director shall advise the riverboat licensee or riverboat license applicant the date on which the riverboat licensee or riverboat license applicant shall cease to use the associated equipment.

(d) The riverboat licensee or riverboat license applicant shall cease utilizing the associated equipment for which approval has been revoked by the date established by the executive director in subsection (c). The riverboat licensee or riverboat license applicant shall notify the executive director, in writing, if it cannot cease utilization of the associated equipment by the established date, and shall seek an extension of time. The executive director shall advise the riverboat licensee or riverboat license applicant, in writing,

if the suggested time frame is not suitable.

(e) A disciplinary action may be initiated against a riverboat licensee or riverboat license applicant that continues to utilize associated equipment for which approval has been revoked unless an extension of time has been granted under subsection (d). (*Indiana Gaming Commission; 68 IAC 2-7-7; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2655; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-7-8 Notice of problems with associated equipment or revocation of approval

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 8. (a) The manufacturer or distributor of associated equipment shall notify the executive director, in writing, of any problems, defects, or malfunctions of any associated equipment that has been approved by the commission.

(b) The manufacturer or distributor of associated equipment shall advise the executive director, in writing, if the approval of any associated equipment approved by the commission has been revoked by any other gaming jurisdiction.

(c) Riverboat licensees or riverboat license applicants shall notify the executive director, in writing, of any problems, defects, or malfunctions of any associated equipment that has been approved by the commission and is utilized by the riverboat licensee or riverboat license applicant in the state of Indiana or any other jurisdiction.

(d) Riverboat licensees or riverboat license applicants shall notify the executive director, in writing, if the approval of associated equipment approved by the commission and utilized by the riverboat licensee or riverboat license applicant has been revoked by any other gaming jurisdiction. (*Indiana Gaming Commission; 68 IAC 2-7-8; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2655; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-7-9 Retention of records

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 9. (a) The manufacturer or distributor of associated equipment shall maintain the following records:

(1) All applications for approval of associated equipment submitted to the commission.

(2) Detailed operating procedures of the associated equipment.

(3) Approvals of associated equipment received from any gaming jurisdiction.

(4) A complete, comprehensive, and technically accurate description and explanation of the associated equipment and its intended use in both technical and lay language.

(5) Any alterations or revisions and the requisite approvals that have been conducted on associated equipment utilized by riverboat licensees or riverboat license applicants.

(6) The revocation of any approval for associated equipment issued by any gaming jurisdiction.

(7) Any documentation that indicates problems, defects, or malfunctions of the associated equipment.

(8) Details of any tests performed on the associated equipment by the manufacturer or distributor of the associated equipment.

(9) Any other records the executive director deems necessary to ensure compliance with the Act and this title.

(b) Riverboat licensees or riverboat license applicants shall maintain any records listed in subsection (a) that are in its possession. Riverboat licensees or riverboat license applicants must maintain, at a minimum, those records identified in subsection (a)(5) and (a)(7).

(c) All records required by this rule must be maintained by the manufacturer or distributor of the associated equipment, the riverboat licensee, or the riverboat license applicant for a period of five (5) years. (*Indiana Gaming Commission; 68 IAC 2-7-9; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2656; errata filed Aug 17, 1995, 1:30 p.m.: 19 IR 42; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-7-10 Request for hearing on notice of denial or revocation of approval

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

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Sec. 10. (a) The manufacturer or distributor of associated equipment who is served with a notice of denial or revocation of approval under this rule may request a hearing under 68 IAC 7.

(b) If the manufacturer or distributor of associated equipment does not request a hearing within ten (10) days of the receipt of the notice of denial or revocation of approval, the notice of denial or revocation of approval becomes the final order of the commission denying or revoking the approval for the associated equipment. (*Indiana Gaming Commission; 68 IAC 2-7-10; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2656; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-7-11 Waiver of requirements

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33

Sec. 11. The executive director may waive, restrict, or alter any requirement or procedure set forth in this rule if the executive director determines that the requirement or procedure is impractical or burdensome, and such waiver, restriction, or alteration is in the best interest of the public and the gaming industry and is not outside the technical requirements necessary to serve the purpose of the requirement or procedure. (*Indiana Gaming Commission; 68 IAC 2-7-11; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2656; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898*)

68 IAC 2-7-12 Reports by the executive director

Authority: IC 4-33-4-1; IC 4-33-4-2; IC 4-33-4-3

Affected: IC 4-33; IC 5-14-1.5-6.1

Sec. 12. The executive director shall report any action he or she has taken or contemplates taking under this rule with respect to associated equipment at the next meeting held under 68 IAC 1-2-5 or an executive session held under IC 5-14-1.5-6.1. The commission may direct the executive director to take additional or different action. (*Indiana Gaming Commission; 68 IAC 2-7-12; filed Jun 23, 1995, 2:30 p.m.: 18 IR 2656; readopted filed Oct 15, 2001, 4:34 p.m.: 25 IR 898; filed Sep 30, 2004, 11:05 a.m.: 28 IR 526*)

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