



**STATE OF INDIANA**  
**HOUSE OF REPRESENTATIVES**

THIRD FLOOR STATE HOUSE  
INDIANAPOLIS, INDIANA 46204

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COMMITTEES  
Financial Institutions and Insurance  
Ways and Means

Indiana Gaming Commission  
Attn: Michael McMains, Chairman  
East Tower, Suite 1600  
101 W. Washington Street  
Indianapolis, IN 46204

July 26, 2021

Dear Chair McMains,

In 2019 the Indiana State Legislature, passed legislation enabling the transfer of two gaming licenses from the Gary lakefront for the establishment of two land-based casinos, one in Gary the other in Terre Haute. The development of this act involved a great deal of public testimony and research on the part of legislators and staff, both in the House of Representatives and Senate. The underlying driver in the discussions that led up to the legislation was the significant need for economic development in both communities. There was significant local community desire expressed regarding the need for these establishments by both communities and their surrounding regions.

As the policy making, elected body of Indiana state government, we crafted legislation which we felt provided a proper framework for the establishment of these new businesses and had set a tone that clearly demonstrated our intent that casinos were to be established in these two communities and that the Indiana Gaming Commission would see that compliance with appropriate accountability and integrity standards would be applied.

For the most part we commend the Commission for its hard and steadfast work in moving these projects forward while maintaining high standards of transparency and accountability.

Unfortunately, from recent media accounts, both projects are now experiencing problems with the Indiana Gaming Commission due to the creation of emergency rules in reaction to concerns over alleged actions of previous owners who are now prohibited from participating in Indiana gaming activities. Specifically, the Terre Haute project has seen its license denied, placing its existence in jeopardy.

We are particularly concerned with the recently adopted requirements that minority shareholders, who hold no management or day to day decision-making roles, be required to obtain the highest level of occupational license (that equivalent to a C-suite employee of a casino) and to disclose all their financial holdings, which may vary from day to day depending upon personal investment strategies. We are concerned that such requirements may unfairly discourage small investors from participating in this investment opportunity. It also appears that the emergency rule posted online has set a monumental burden upon the current majority shareholder to force minority shareholders to divulge all personal, private investment or sell their casino holdings at significantly below potential market price. The 90-day deadline for compliance with the penalty of the license not being approved seems to have halted any construction at the Terre Haute construction site due to concerns by the financial community, and appears

to have put a locally driven, owned and financed project in jeopardy. The casino project offers necessary economic benefits to Vigo County, including over 1K jobs, an additional \$24M in additional income, tax revenue of over \$2M, and a projected \$126M in economic activity annually.

With these concerns in mind, we commend you on your endeavor to hold the Indiana gaming industry to the highest standards, but we also ask that you reconsider the potential gain of knowing whether a minority stakeholder owns ten shares of Apple versus the impact of delaying or prohibiting any aspect of the Gary casino project and the construction of the Terre Haute gaming facility and the potential impact upon both economically depressed communities. The anticipated revenue is key for infrastructure, community, and not-for-profit projects that will benefit everyone in the communities.

We also suggest that rules that could severely impact the privacy rights and investment strategies of citizens as well as economic development opportunities, should receive significantly more vetting and scrutiny than provided in the "emergency rule making process". One might even suggest that such impactful boundaries should be the purview of the state elected policy making entity.

Thank you for your service and consideration.

Sincerely,



Bob Heaton  
State Representative  
District 46



Terri J. Austin  
State Representative  
District 36



Beau Baird  
State Representative  
District 44



Steve Bartels  
State Representative  
District 74



Michelle Davis  
State Representative  
District 58



Jeff Ellington  
State Representative  
District 62



Alan Morrison  
State Representative  
District 42