

HOUSE BILL No. 1144

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-33; IC 4-35-8.3.

Synopsis: Hold harmless payments. Provides that a hold harmless agreement or an agreement to offset a financial loss between a casino, riverboat, or unit of government and another unit of government concerning potential losses of revenue by the other unit of government is prohibited and unenforceable. Repeals the requirement that the licensed owner of a riverboat operating in Vigo County pay certain payments to the city of Evansville. Repeals language concerning a supplemental payment to East Chicago, Hammond, and Michigan City under certain circumstances. Repeals the historic hotel district community support fee.

Effective: July 1, 2020.

Morrison

January 8, 2020, read first time and referred to Committee on Public Policy.



Second Regular Session of the 121st General Assembly (2020)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2019 Regular Session of the General Assembly.

HOUSE BILL No. 1144

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-33-1-6 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2020]: **Sec. 6. A hold harmless agreement or an agreement to**
4 **offset a financial loss between a casino, riverboat, or unit of**
5 **government and another unit of government concerning potential**
6 **losses of revenue by the other unit of government is prohibited and**
7 **unenforceable.**

8 SECTION 2. IC 4-33-6.7-7 IS REPEALED [EFFECTIVE JULY 1,
9 2020]. **Sec. 7. The licensed owner of a riverboat operating in Vigo**
10 **County shall pay:**

- 11 (1) a one (1) time payment of one million two hundred thousand
12 dollars (\$1,200,000) within the first year that the licensed owner
13 conducts gaming operations in Vigo County;
- 14 (2) a one (1) time payment of nine hundred thousand dollars
15 (\$900,000) within the second year that the licensed owner
16 conducts gaming operations in Vigo County; and
- 17 (3) a one (1) time payment of six hundred thousand dollars



1 (\$600,000) within the third year that the licensed owner conducts
 2 gaming operations in Vigo County;
 3 to the city of Evansville:

4 SECTION 3. IC 4-33-13-5.3 IS REPEALED [EFFECTIVE JULY
 5 1, 2020]. Sec. 5-3: (a) This section applies to each of the first four (4)
 6 full state fiscal years beginning after a licensed owner begins gaming
 7 operations under IC 4-33-6-4.5:

8 (b) As used in this section, "qualified city" refers to East Chicago,
 9 Hammond, or Michigan City.

10 (c) The auditor of state shall determine the total amount of money
 11 paid by the auditor of state under section 5(a)(2) of this chapter to
 12 Gary, East Chicago, Hammond, and Michigan City during the state
 13 fiscal year ending on June 30, 2019. The amount determined under this
 14 subsection for each city is the city's base year revenue. The auditor of
 15 state shall certify the base year revenue determined under this
 16 subsection to each city:

17 (d) Subject to subsection (g), a qualified city is entitled to a
 18 supplemental payment under this section if both of the following occur
 19 in a particular state fiscal year:

20 (1) The total amount payable to Gary under section 5(a)(2) of this
 21 chapter in the state fiscal year is greater than the base year
 22 revenue determined for Gary under subsection (c):

23 (2) The amount payable to the qualified city under section 5(a)(2)
 24 of this chapter in the state fiscal year is less than the base year
 25 revenue determined for the qualified city under subsection (c):

26 (e) Subject to subsection (g), the auditor of state shall deduct the
 27 lesser of the following from the amount otherwise payable to Gary to
 28 make a supplemental payment to a qualified city entitled to a payment
 29 under subsection (d):

30 (1) The difference between the base year revenue determined for
 31 the qualified city under subsection (c) and the amount payable to
 32 the qualified city under section 5(a)(2) of this chapter:

33 (2) The difference between the amount payable to Gary under
 34 section 5(a)(2) of this chapter and the base year revenue
 35 determined for Gary under subsection (c):

36 (f) Subject to subsection (g), the auditor of state shall supplement
 37 the amount payable to the qualified city under section 5(a)(2) of this
 38 chapter with a payment equal to the amount deducted under subsection
 39 (e) for the qualified city:

40 (g) The auditor of state may not deduct from the amounts payable
 41 under section 5(a)(2) of this chapter to Gary in a particular state fiscal
 42 year an amount greater than the difference between the amount payable



1 to Gary under section 5(a)(2) of this chapter and the base year revenue
 2 determined for Gary under subsection (c). If the total amount of the
 3 supplemental payments determined for qualified cities exceeds the
 4 amount that may be deducted under this section, the amount paid to
 5 each qualified city entitled to a supplemental payment must be
 6 determined under STEP FOUR the following formula:

7 STEP ONE: Determine the difference between the qualified city's
 8 base year revenue and the amount payable to the qualified city
 9 under section 5(a)(2) of this chapter for the particular state fiscal
 10 year:

11 STEP TWO: Determine the sum of the STEP ONE results for all
 12 qualified cities entitled to a supplemental payment in the
 13 particular state fiscal year:

14 STEP THREE: Determine for each qualified city entitled to a
 15 supplemental payment in the particular state fiscal year the
 16 quotient of:

- 17 (A) the STEP ONE result for the qualified city; divided by
- 18 (B) the STEP TWO result.

19 STEP FOUR: Determine for each qualified city entitled to a
 20 supplemental payment in the particular state fiscal year the
 21 product of:

- 22 (A) the STEP THREE quotient; multiplied by
- 23 (B) the maximum amount that may be deducted from the
 24 amounts payable under section 5(a)(2) of this chapter for Gary:

25 SECTION 4. IC 4-35-8.3 IS REPEALED [EFFECTIVE JULY 1,
 26 2020]. (Historic Hotel District Community Support Fee).

