

HOUSE BILL No. 1363

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-31; IC 4-33; IC 4-35; IC 4-38; IC 6-8.1-1-1; IC 35-45-5-14.

Synopsis: Wagering on sports. Authorizes sports wagering at riverboats, racinos, and satellite facilities. Provides for the administration, conduct, and taxation of sports wagering. Imposes initial and annual fees on a licensed owner, operating agent, or permit holder conducting sports wagering.

Effective: July 1, 2019.

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January 14, 2019, read first time and referred to Committee on Public Policy.



First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1363

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 4-31-2-20.9 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2019]: **Sec. 20.9. "Sports wagering" refers to wagering**
4 **conducted under IC 4-38 on athletic and sporting events involving**
5 **human competitors. The term does not include pari-mutuel**
6 **wagering on horse racing.**

7 SECTION 2. IC 4-31-9-0.5 IS ADDED TO THE INDIANA CODE
8 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
9 1, 2019]: **Sec. 0.5. This chapter does not apply to sports wagering**
10 **conducted under IC 4-38 at a satellite facility.**

11 SECTION 3. IC 4-33-2-2 IS AMENDED TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2019]: Sec. 2. **(a) "Adjusted gross receipts"**
13 **means:**

14 (1) the total of all cash and property (including checks received
15 by a licensee or an operating agent) whether collected or not,
16 received by a licensee or an operating agent from gaming
17 operations; minus



1 (2) the total of:

2 (A) all cash paid out as winnings to patrons; and

3 (B) uncollectible gaming receivables, not to exceed the lesser
4 of:

5 (i) a reasonable provision for uncollectible patron checks
6 received from gaming operations; or

7 (ii) two percent (2%) of the total of all sums, including
8 checks, whether collected or not, less the amount paid out as
9 winnings to patrons.

10 For purposes of this section, a counter or personal check that is invalid
11 or unenforceable under this article is considered cash received by the
12 licensee or operating agent from gaming operations.

13 **(b) The term does not include amounts received from sports
14 wagering conducted by a licensee or operating agent under
15 IC 4-38.**

16 SECTION 4. IC 4-33-2-17.7 IS ADDED TO THE INDIANA CODE
17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
18 1, 2019]: **Sec. 17.7. "Sports wagering" refers to wagering
19 conducted under IC 4-38 on athletic and sporting events involving
20 human competitors. The term does not include money spent to
21 participate in paid fantasy sports under IC 4-33-24.**

22 SECTION 5. IC 4-33-3-22 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 22. (a) The commission
24 shall file a written annual report with the governor before September
25 1 of each year. The commission shall file any additional reports that the
26 governor requests.

27 (b) The annual report filed under this section must include a
28 statement describing the following:

29 (1) The receipts and disbursements of the commission.

30 (2) Actions taken by the commission.

31 **(3) The development and fiscal impact of sports wagering
32 conducted under IC 4-38.**

33 ~~(3)~~ **(4)** Any additional information and recommendations that:

34 (A) the commission considers useful; or

35 (B) the governor requests.

36 SECTION 6. IC 4-33-12-0.5, AS ADDED BY P.L.255-2015,
37 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2019]: Sec. 0.5. This chapter does not apply to **the following**:

39 **(1)** A riverboat in a historic hotel district.

40 **(2) Sports wagering conducted under IC 4-38 at a riverboat.**

41 SECTION 7. IC 4-33-13-0.5 IS ADDED TO THE INDIANA CODE
42 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY



1, 2019]: **Sec. 0.5. This chapter does not apply to sports wagering conducted under IC 4-38 at a riverboat.**

SECTION 8. IC 4-35-2-2, AS AMENDED BY P.L.210-2013, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) "Adjusted gross receipts" means:

(1) the total of all cash and property (including checks received by a licensee, whether collected or not) received by a licensee from gambling games, including amounts that are distributed by a licensee under IC 4-35-7-12; minus

(2) the total of:

(A) all cash paid out to patrons as winnings for gambling games; and

(B) uncollectible gambling game receivables, not to exceed the lesser of:

(i) a reasonable provision for uncollectible patron checks received from gambling games; or

(ii) two percent (2%) of the total of all sums, including checks, whether collected or not, less the amount paid out to patrons as winnings for gambling games.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the licensee from gambling games.

(b) The term does not include amounts received from sports wagering conducted by a licensee under IC 4-38.

SECTION 9. IC 4-35-8-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 0.5. This chapter does not apply to sports wagering conducted under IC 4-38 at a gambling game facility licensed under this article.**

SECTION 10. IC 4-38 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

ARTICLE 38. SPORTS WAGERING

Chapter 1. General Provisions

Sec. 1. Pursuant to 15 U.S.C. 1172, approved January 2, 1951, the state of Indiana, acting by and through duly elected and qualified members of the legislature, does declare and proclaim that the state is exempt from the provisions of 15 U.S.C. 1172.

Sec. 2. All shipments of gambling devices used to conduct sports wagering under this article to an operating agent, a licensed owner, or a permit holder in Indiana, the registering, recording, and labeling of which have been completed by the manufacturer or



1 dealer thereof in accordance with 15 U.S.C. 1171 through 1178, are
2 legal shipments of gambling devices into Indiana.

3 **Chapter 2. Definitions**

4 **Sec. 0.5.** The definitions in this chapter apply throughout this
5 article unless the context clearly denotes otherwise.

6 **Sec. 1. "Adjusted gross receipts" means:**

7 (1) the total of all cash and property (including checks
8 received by a certificate holder, whether collected or not)
9 received by a certificate holder from sports wagering; minus

10 (2) the total of:

11 (A) all cash paid out as winnings to sports wagering
12 patrons; and

13 (B) uncollectible gaming receivables, not to exceed the
14 lesser of:

15 (i) a reasonable provision for uncollectible patron checks
16 received from sports wagering; or

17 (ii) two percent (2%) of the total of all sums (including
18 checks, whether collected or not) less the amount paid
19 out as winnings to sports wagering patrons.

20 For purposes of this section, a counter or personal check that is
21 invalid or unenforceable under this article is considered cash
22 received by the certificate holder from sports wagering.

23 **Sec. 2. "Amateur youth sporting event" refers to any sporting
24 event in which an individual:**

25 (1) must be less than eighteen (18) years of age to participate;
26 and

27 (2) is prohibited as a condition of participating in the sporting
28 event from receiving direct or indirect compensation for the
29 use of the individual's athletic skill in any manner with
30 respect to the sport in which the particular sporting event is
31 conducted.

32 **Sec. 3. "Certificate holder" means a licensed owner, operating
33 agent, or permit holder issued a certificate of authority by the
34 commission authorizing the licensed owner, operating agent, or
35 permit holder to conduct sports wagering under this article.**

36 **Sec. 4. "Commission" refers to the Indiana gaming commission
37 established by IC 4-33-3-1.**

38 **Sec. 5. "Department" refers to the department of state revenue.**

39 **Sec. 6. "Gross receipts" means the total amount of money
40 exchanged for the purchase of electronic cards by sports wagering
41 patrons.**

42 **Sec. 7. "Licensed facility" means any of the following:**



- 1 (1) A satellite facility operated under IC 4-31-5.5.
 2 (2) A riverboat operated under IC 4-33.
 3 (3) A gambling game facility operated under IC 4-35.
 4 Sec. 8. "Licensed owner" has the meaning set forth in
 5 IC 4-33-2-13.
 6 Sec. 9. "Occupational license" means a license issued by the
 7 commission under IC 4-33-8.
 8 Sec. 10. "Operating agent" means a person with whom the
 9 commission has entered into a contract under IC 4-33-6.5 to
 10 operate a riverboat in a historic hotel district.
 11 Sec. 11. "Permit holder" has the meaning set forth in
 12 IC 4-31-2-14.
 13 Sec. 12. "Person" means an individual, a sole proprietorship, a
 14 partnership, an association, a fiduciary, a corporation, a limited
 15 liability company, or any other business entity.
 16 Sec. 13. "Riverboat" has the meaning set forth in IC 4-33-2-17.
 17 Sec. 14. "Sports wagering" refers to wagering conducted under
 18 this article on athletic and sporting events involving human
 19 competitors. The term does not include pari-mutuel wagering on
 20 horse racing or money spent to participate in paid fantasy sports
 21 under IC 4-33-24.
 22 Sec. 15. "Sports wagering device" refers to a mechanical,
 23 electrical, or computerized contrivance, terminal, device,
 24 apparatus, piece of equipment, or supply approved by the
 25 commission for conducting sports wagering under this article.
 26 Sec. 16. "Supplier's license" means a license issued under
 27 IC 4-33-7.
 28 Sec. 17. "Vendor" means a person with whom a certificate
 29 holder contracts for either of the following:
 30 (1) Managing the certificate holder's sports wagering
 31 operations within a licensed facility.
 32 (2) Conducting sports wagering through mobile devices under
 33 IC 4-38-5-11 on behalf of the certificate holder.
 34 Sec. 18. "Vendor's license" refers to a license issued to a vendor
 35 under IC 4-38-6.
 36 Chapter 3. Administrative Rules
 37 Sec. 1. The commission shall adopt rules under IC 4-22-2,
 38 including emergency rules in the manner provided under
 39 IC 4-22-2-37.1, to implement this article. Rules adopted under this
 40 section must include the following:
 41 (1) Standards for the conduct of sports wagering under this
 42 article, including standards and procedures for the approval



1 of sporting events for wagering under this article.

2 (2) Standards and procedures to govern the conduct of sports
3 wagering, including the manner in which:

4 (A) wagers are received;

5 (B) payouts are paid; and

6 (C) point spreads, lines, and odds are determined.

7 (3) Standards for allowing a certificate holder to offer sports
8 wagering as an interactive form of gaming.

9 (4) Standards for the procedures and technology used to allow
10 a certificate holder to accept wagers through a mobile device
11 under IC 4-38-5-11.

12 (5) Rules prescribing the manner in which a certificate
13 holder's books and financial records relating to sports
14 wagering are maintained and audited, including standards for
15 the daily counting of a certificate holder's gross receipts from
16 sports wagering and standards to ensure that internal
17 controls are followed.

18 (6) Rules concerning the detection and prevention of
19 compulsive gambling.

20 (7) Standards for approving procedures and technologies
21 necessary to comply with the requirements of IC 4-38-8.

22 (8) Standards for approving procedures and technologies
23 necessary for a certificate holder to securely and efficiently
24 maintain and store records of all bets and wagers placed with
25 the certificate holder.

26 **Sec. 2. Rules adopted under section 1 of this chapter must**
27 **require a certificate holder to do the following:**

28 (1) Designate an area within the licensed facility operated by
29 the certificate holder for sports wagering conducted under
30 this article.

31 (2) Ensure that the certificate holder's surveillance system
32 covers all areas of the certificate holder's licensed facility in
33 which sports wagering is conducted.

34 (3) Allow the commission to be present through the
35 commission's gaming agents during the time sports wagering
36 is conducted in all areas of the certificate holder's licensed
37 facility in which sports wagering is conducted to do the
38 following:

39 (A) Ensure maximum security of the counting and storage
40 of the sports wagering revenue received by the certificate
41 holder.

42 (B) Certify the sports wagering revenue received by the



- 1 certificate holder.
- 2 (C) Receive complaints from the public.
- 3 (D) Conduct other investigations into the conduct of sports
- 4 wagering and the maintenance of the equipment that the
- 5 commission considers necessary and proper for sports
- 6 wagering.
- 7 (4) Ensure that individuals who are less than twenty-one (21)
- 8 years of age do not make wagers under this article.
- 9 (5) Provide written information to sports wagering patrons
- 10 about sports wagering, payouts, winning wagers, and other
- 11 information considered relevant by the commission.
- 12 (6) Post a sign in the designated sports wagering area
- 13 indicating the minimum and maximum amounts that may be
- 14 wagered under this article.

15 **Chapter 4. Authority to Conduct Sports Wagering**

16 **Sec. 1. A person holding a certificate of authority issued under**

17 **this chapter is authorized to conduct sports wagering under this**

18 **article after December 31, 2019.**

19 **Sec. 2. Beginning October 1, 2019, the commission may accept**

20 **applications for a certificate of authority from any licensed owner,**

21 **operating agent, or permit holder that wishes to conduct sports**

22 **wagering under this article. The commission shall prescribe the**

23 **form of the application.**

24 **Sec. 3. (a) A licensed owner, operating agent, or permit holder**

25 **that wishes to offer sports wagering at a licensed facility under this**

26 **article must do the following:**

27 (1) Submit an application to the commission in the manner

28 prescribed by the commission for each licensed facility in

29 which the applicant wishes to conduct sports wagering.

30 (2) Subject to subsection (b), pay an initial fee of seventy-five

31 thousand dollars (\$75,000) per licensed facility in which the

32 certificate holder intends to conduct sports wagering.

33 (b) A permit holder that applies for a certificate of authority to

34 conduct sports wagering at both a gambling game facility licensed

35 under IC 4-35 and a satellite facility licensed under IC 4-31-5.5 is

36 not required to pay a separate fee under subsection (a)(2) with

37 respect to the satellite facility.

38 **Sec. 4. Upon receipt of the application and fee required by**

39 **section 3 of this chapter, the commission shall issue a certificate of**

40 **authority to a licensed owner, an operating agent, or a permit**

41 **holder authorizing the licensed owner, operating agent, or permit**

42 **holder to conduct sports wagering under this article in a**



1 designated licensed facility.

2 **Sec. 5.** The commission shall deposit fees received under section
3 3 of this chapter in the sports wagering fund established by
4 IC 4-38-7-6.

5 **Chapter 5. Conduct of Sports Wagering**

6 **Sec. 1. (a)** The commission shall test new sports wagering
7 devices and new forms, variations, or composites of sports
8 wagering under the terms and conditions that the commission
9 considers appropriate before authorizing a certificate holder to
10 offer a new sports wagering device or a new form, variation, or
11 composite of sports wagering.

12 **(b)** A certificate holder shall provide all data relating to the
13 conduct of sports wagering to the commission.

14 **(c)** The commission may provide data received from a certificate
15 holder to any governing body conducting a sporting event
16 approved for wagering under this article.

17 **Sec. 2.** A certificate holder shall designate an area within each
18 licensed facility in which the certificate holder is authorized to
19 conduct sports wagering under this article. Except as provided in
20 section 11 of this chapter, sports wagering may not be conducted
21 at any location other than the area designated under this section.

22 **Sec. 3. (a)** Except as provided in subsection (b), a person who is
23 less than twenty-one (21) years of age may not be present in an
24 area where sports wagering is being conducted.

25 **(b)** A person who is at least eighteen (18) years of age and who
26 is an employee of a certificate holder's licensed facility may be
27 present in an area where sports wagering is conducted. However,
28 an employee who is less than twenty-one (21) years of age may not
29 perform any function involving sports wagering by the patrons.

30 **Sec. 4.** A certificate holder may accept wagers on professional
31 and collegiate sporting events approved for sports wagering by the
32 commission. Except as provided in section 6 of this chapter, a
33 certificate holder may use data selected in its discretion to
34 determine whether a wager is a winning wager.

35 **Sec. 5.** A certificate holder may not accept wagers on the
36 following:

37 (1) High school and other amateur youth sporting events.

38 (2) A sporting event that has not been approved for sports
39 wagering by the commission.

40 **Sec. 6.** A certificate holder may not cancel wagering on a
41 particular sporting event after posting odds and beginning to
42 accept wagers on the sporting event. A certificate holder must pay



1 winning patrons following the end of the sporting event.

2 Sec. 7. (a) Sports wagering may not be conducted with money or
3 other negotiable currency.

4 (b) A certificate holder shall determine the minimum and
5 maximum wagers in sports wagering conducted in the certificate
6 holder's licensed facility.

7 Sec. 8. A certificate holder may not permit any sports wagering
8 on the premises of the certificate holder's licensed facility except as
9 permitted by this article.

10 Sec. 9. A sports wagering device must be approved by the
11 commission and acquired by a certificate holder from a licensed
12 supplier. The commission shall determine whether any other
13 supplies and equipment used to conduct sports wagering require
14 a certificate holder to acquire the supplies and equipment from a
15 licensed supplier. IC 4-33-7 applies to the distribution of sports
16 wagering devices and the conduct of sports wagering under this
17 article.

18 Sec. 10. The commission shall determine the occupations related
19 to sports wagering that require an occupational license. IC 4-33-8
20 applies to the conduct of sports wagering under this article.

21 Sec. 11. A certificate holder may accept wagers placed using a
22 mobile device from a patron if the patron registers with the
23 certificate holder as a mobile device user and acquires any
24 necessary mobile device applications from the certificate holder. A
25 patron may register under this section in person at the certificate
26 holder's licensed facility or remotely through technology and
27 applications approved by the commission.

28 Sec. 12. IC 4-31-6-11, IC 4-33-4-27, IC 4-33-8.5, IC 4-35-4-16,
29 and IC 4-35-6.7 apply, as appropriate, to sports wagering
30 conducted at a licensed facility.

31 Sec. 13. (a) This section applies to sports wagering conducted at
32 a satellite facility by a certificate holder that is a permit holder.

33 (b) A certificate issued under this article is null and void if the
34 certificate holder fails to:

35 (1) maintain a license issued under IC 4-31-5.5 to operate the
36 satellite facility; or

37 (2) satisfy the conditions for obtaining a satellite facility set
38 forth in IC 4-31-5.5-3(b)(3) in the certificate holder's
39 operation of the satellite facility.

40 Sec. 14. A certificate holder may contract with a vendor to
41 perform the following services:

42 (1) Managing the certificate holder's sports wagering



1 operations within a licensed facility.

2 (2) Conducting sports wagering through mobile devices under
3 section 11 of this chapter on behalf of the certificate holder.

4 **Chapter 6. Vendors**

5 **Sec. 1. A person must hold a license issued under this chapter**
6 **before entering into a contract as a vendor with a certificate**
7 **holder.**

8 **Sec. 2. The commission may issue a vendor's license to a**
9 **qualified applicant.**

10 **Sec. 3. (a) A person applying for a vendor's license under this**
11 **chapter must pay a nonrefundable application fee to the**
12 **commission. The commission shall determine the amount of the**
13 **application fee.**

14 **(b) An applicant must submit the following on forms provided**
15 **by the commission:**

16 **(1) If the applicant is an individual, two (2) sets of the**
17 **individual's fingerprints.**

18 **(2) If the applicant is not an individual, two (2) sets of**
19 **fingerprints for each officer and director of the applicant.**

20 **(c) The commission shall review the applications for a vendor's**
21 **license under this chapter and shall inform each applicant of the**
22 **commission's decision concerning the issuance of the vendor's**
23 **license.**

24 **(d) The costs of investigating an applicant for a vendor's license**
25 **under this chapter shall be paid from the application fee paid by**
26 **the applicant.**

27 **(e) An applicant for an vendor's license under this chapter must**
28 **pay all additional costs that are:**

29 **(1) associated with the investigation of the applicant; and**

30 **(2) greater than the amount of the application fee paid by the**
31 **applicant.**

32 **Sec. 4. In determining whether to grant a vendor's license to an**
33 **applicant, the commission shall consider the character, reputation,**
34 **experience, and financial integrity of the following:**

35 **(1) The applicant.**

36 **(2) A person that:**

37 **(A) directly or indirectly controls the applicant; or**

38 **(B) is directly or indirectly controlled by the applicant or**
39 **by a person that directly or indirectly controls the**
40 **applicant.**

41 **Sec. 5. (a) The state police department may assist the**
42 **commission in conducting background investigations of applicants**



1 for vendor's licenses. The commission may forward all fingerprints
 2 required to be submitted by license applicants under this chapter
 3 to the Federal Bureau of Investigation or any other agency for the
 4 purpose of screening applicants. The commission shall reimburse
 5 the state police department for the costs incurred by the state
 6 police department as a result of the assistance. The commission
 7 shall make the payment from fees collected from applicants.

8 (b) The commission through its gaming agents shall conduct
 9 background investigations of applicants. Costs incurred conducting
 10 the investigations must be paid from fees collected from applicants.

11 Chapter 7. Taxes and Fees

12 Sec. 1. A wagering tax is imposed on the adjusted gross receipts
 13 received from sports wagering conducted by a certificate holder
 14 under this article at a rate of six and twenty-five hundredths
 15 percent (6.25%) with respect to adjusted gross receipts received
 16 from wagers placed in person at the certificate holder's licensed
 17 facility.

18 Sec. 2. The certificate holder shall remit the tax imposed by
 19 section 1 of this chapter to the department on the twenty-fourth
 20 calendar day of each month. Any taxes collected during the month
 21 but after the day on which the taxes are required to be paid to the
 22 department shall be paid to the department at the same time the
 23 following month's taxes are due.

24 Sec. 3. The payment of the tax under this chapter must be an
 25 electronic funds transfer by automated clearinghouse.

26 Sec. 4. (a) The department shall deposit tax revenue collected
 27 under this chapter in the state general fund.

28 (b) The auditor of state shall annually transfer one hundred
 29 thousand dollars (\$100,000) of the tax revenue deposited in the
 30 state general fund under this article in the previous state fiscal year
 31 to the division of mental health and addiction. The division must
 32 use money received under this subsection to provide programs and
 33 facilities for the prevention and treatment of compulsive gambling.
 34 The auditor shall make the transfer required by this section before
 35 August 1.

36 Sec. 5. A certificate holder shall pay to the commission an
 37 annual administrative fee of ten thousand dollars (\$10,000). The fee
 38 imposed by this section is due one (1) year after the date that the
 39 certificate holder commences sports wagering operations under
 40 this article and on each annual anniversary date thereafter. The
 41 commission shall deposit the administrative fees received under
 42 this section in the sports wagering fund.



1 **Sec. 6. (a) The sports wagering fund is established.**

2 **(b) The commission shall administer the fund.**

3 **(c) The fund consists of the administrative fees deposited in the**
 4 **fund under section 5 of this chapter.**

5 **(d) The treasurer of state shall invest the money in the fund not**
 6 **currently needed to meet the obligations of the fund in the same**
 7 **manner as other public funds may be invested.**

8 **(e) Money in the fund at the end of a state fiscal year does not**
 9 **revert to the state general fund.**

10 **(f) Money in the fund must be used by the commission to pay the**
 11 **costs incurred to administer this article.**

12 **Chapter 8. Integrity Requirements**

13 **Sec. 1. A certificate holder shall conduct background checks on**
 14 **newly hired employees, and annual background checks on all**
 15 **existing employees. A background check conducted under this**
 16 **section must include a search for criminal history, and any charges**
 17 **or convictions involving corruption or manipulation of sporting**
 18 **events and any association with organized crime.**

19 **Sec. 2. (a) A certificate holder shall employ commercially**
 20 **reasonable methods to do the following:**

21 **(1) Prohibit the certificate holder, directors, officers, and**
 22 **employees of the certificate holder, and any relative living in**
 23 **the same household of a person described in this subdivision**
 24 **from placing bets with the certificate holder.**

25 **(2) Using publicly available information and any lists of**
 26 **employees and affiliates provided to the certificate holder or**
 27 **the commission by a sports governing body, prohibit wagering**
 28 **by any athlete, coach, referee, team owner, employee of a**
 29 **sports governing body or one of its member teams, or player**
 30 **or referee union personnel.**

31 **(3) Prohibit wagering by persons who are under the minimum**
 32 **legal age for placing a wager under this article.**

33 **(4) Prohibit any individual with access to nonpublic**
 34 **confidential information held by the certificate holder from**
 35 **placing wagers with the certificate holder.**

36 **(5) Prevent the sharing of confidential information that could**
 37 **affect sports wagering offered by the certificate holder or by**
 38 **third parties until the information is made publicly available.**

39 **(6) Prohibit persons from placing wagers as agents or proxies**
 40 **for others.**

41 **(7) Maintain the security of wagering data, customer data,**
 42 **and other confidential information from unauthorized access**



1 **and dissemination.**

2 **(b) Nothing in this article precludes the use of Internet or cloud**
 3 **based hosting of data described in subsection (a)(7) or any**
 4 **disclosure of information required by court order, other law, or**
 5 **this article.**

6 **Sec. 3. The commission and each certificate holder shall**
 7 **cooperate with investigations conducted by sports governing bodies**
 8 **or law enforcement agencies, including by providing or facilitating**
 9 **the provision of betting information and audio or video files**
 10 **relating to persons placing wagers.**

11 **Sec. 4. A certificate holder shall immediately report to the**
 12 **commission any information relating to:**

13 **(1) criminal or disciplinary proceedings commenced against**
 14 **the certificate holder in connection with its operations;**

15 **(2) bets or wagers that violate state or federal law;**

16 **(3) abnormal betting activity or patterns that may indicate a**
 17 **concern regarding the integrity of a sporting event or events;**

18 **(4) any potential breach of the relevant sport's governing**
 19 **body's internal rules and codes of conduct pertaining to sports**
 20 **wagering;**

21 **(5) any other conduct that corrupts a betting outcome of a**
 22 **sporting event or events for purposes of financial gain; and**

23 **(6) suspicious or illegal wagering activities, including use of**
 24 **funds derived from illegal activity, wagers to conceal or**
 25 **launder funds derived from illegal activity, using agents to**
 26 **place wagers, and using false identification.**

27 **A certificate holder shall also immediately report information**
 28 **relating to conduct described in subdivision (3), (4), or (5) to the**
 29 **relevant sports governing body.**

30 **Sec. 5. A certificate holder shall maintain the confidentiality of**
 31 **information provided by a sports governing body to the certificate**
 32 **holder, unless disclosure is required by this article, the commission,**
 33 **other law, or court order.**

34 SECTION 11. IC 6-8.1-1-1, AS AMENDED BY P.L.212-2018(ss),
 35 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2019]: Sec. 1. "Listed taxes" or "taxes" includes only the
 37 pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the supplemental
 38 wagering tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the
 39 slot machine wagering tax (IC 4-35-8); the type II gambling game
 40 excise tax (IC 4-36-9); **the sports wagering tax (IC 4-38)**; the gross
 41 income tax (IC 6-2.1) (repealed); the utility receipts and utility services
 42 use taxes (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the



1 adjusted gross income tax (IC 6-3); the supplemental net income tax
 2 (IC 6-3-8) (repealed); the county adjusted gross income tax
 3 (IC 6-3.5-1.1) (repealed); the county option income tax (IC 6-3.5-6)
 4 (repealed); the county economic development income tax (IC 6-3.5-7)
 5 (repealed); the local income tax (IC 6-3.6); the auto rental excise tax
 6 (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax
 7 (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax
 8 (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement
 9 under IC 6-8.1-3; the vehicle excise tax (IC 6-6-5); the aviation fuel
 10 excise tax (IC 6-6-13); the commercial vehicle excise tax (IC 6-6-5.5);
 11 the excise tax imposed on recreational vehicles and truck campers
 12 (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6) (repealed);
 13 the heavy equipment rental excise tax (IC 6-6-15); the cigarette tax
 14 (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax
 15 (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax
 16 (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum
 17 severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the
 18 various food and beverage taxes (IC 6-9); the county admissions tax
 19 (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the
 20 penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-20-18); the
 21 fees and penalties assessed for overweight vehicles (IC 9-20-4 and
 22 IC 9-20-18); and any other tax or fee that the department is required to
 23 collect or administer.

24 SECTION 12. IC 35-45-5-14 IS ADDED TO THE INDIANA
 25 CODE AS A NEW SECTION TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2019]: **Sec. 14. This chapter does not apply**
 27 **to sports wagering conducted under IC 4-38.**

