

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE ENROLLED ACT No. 252

AN ACT to amend the Indiana Code concerning gaming.

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

SECTION 1. IC 4-31-2-17.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 17.5. "Promotional action" means any action or expenditure of the commission for the purpose of developing the horse racing industry throughout Indiana, including the payment of any administrative costs incurred by the commission to promote the horse racing industry in Indiana.**

SECTION 2. IC 4-31-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. **(a) Each member of the commission is entitled to the minimum salary per diem provided by ~~IC 4-10-11-2.1(b)~~ for each day the member is engaged in official business.**

(b) The minimum salary per diem that each member of the commission is entitled to receive equals the maximum daily amount allowed to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in Indianapolis.

(c) Each member is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the



budget agency.

SECTION 3. IC 4-31-3-8, AS AMENDED BY P.L.210-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. The commission shall:

- (1) prescribe the rules and conditions under which horse racing at a recognized meeting may be conducted;
- (2) initiate safeguards as necessary to account for the amount of money wagered at each track or satellite facility in each wagering pool;
- (3) require all permit holders to provide a photographic or videotape recording, approved by the commission, of the entire running of all races conducted by the permit holder;
- (4) make annual reports concerning:

(A) the promotional actions taken and promotional initiatives established by the commission to promote the Indiana horse racing industry, including:

(i) a listing of the commission's promotional actions and promotional initiatives; and

(ii) an accounting of the money spent on each promotional action and promotional initiative;

~~(A)~~ **(B)** the competitive status of the Indiana horse racing industry as compared to the horse racing industries of other states and measured by purse, handle, and any other factors determined by the commission;

~~(B)~~ **(C)** the commission's operations; and

~~(C)~~ **(D)** the commission's recommendations;

to the governor and, in an electronic format under IC 5-14-6, to the general assembly;

(5) carry out the provisions of IC 15-19-2, after considering recommendations received from the Indiana standardbred advisory board under IC 15-19-2;

(6) develop internal procedures for accepting, recording, investigating, and resolving complaints from licensees and the general public; ~~and~~

(7) promote the Indiana horse racing industry, including its simulcast product; and

~~(7)~~ **(8)** annually post the following information on the commission's Internet web site:

(A) A summary of the disciplinary actions taken by the commission in the preceding calendar year.

(B) A summary of the complaints received and resolved in the preceding calendar year.



SECTION 4. IC 4-31-5-9, AS AMENDED BY P.L.233-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) The commission shall determine the dates and (if the commission adopts a rule under subsection (c)) the number of racing days authorized under each recognized meeting permit. Except for racing at winterized tracks, a recognized meeting may not be conducted after December 10 of a calendar year.

(b) Except as provided in subsection (c), the commission shall require at least ~~one two hundred forty (140)~~ **eighty (280)** but not more than ~~one three hundred sixty-five (165)~~ **thirty (330) total** live racing days each calendar year ~~at the racetrack designated in a permit holder's permit,~~ **combined at both racetracks,** as follows:

(1) At least ~~eighty (80)~~ **one hundred sixty (160)** but not more than ~~ninety (90)~~ **one hundred eighty (180)** live racing days must be for standardbreds **to race at Hoosier Park.**

(2) At least ~~sixty (60)~~ **one hundred twenty (120)** but not more than ~~seventy-five (75)~~ **one hundred fifty (150)** live racing days must be for horses that are:

(A) mounted by jockeys; and

(B) run on a course without jumps or obstacles;

to race at Indiana Grand.

The requirements of this subsection are a continuing condition for maintaining the permit holder's permit. However, the requirements do not apply if the commission determines that the permit holder is prevented from conducting live horse racing as a result of a natural disaster or another event over which the permit holder has no control.

(c) The commission may by rule adjust any of the following:

(1) The total required number of live racing days under subsection (b).

(2) The number of live racing days required under subsection (b)(1).

(3) The number of live racing days required under subsection (b)(2).

(d) A permit holder may not conduct more than fourteen (14) races on a particular racing day.

SECTION 5. IC 4-31-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. **(a)** Each development committee consists of three (3) members appointed ~~by the governor.~~ **as follows:**

(1) One (1) member appointed by the governor, who shall chair the committee.

(2) One (1) member appointed by the permit holder of the



track where the breed of horse races.

(3) One (1) member appointed by the horsemen's association that is approved for funding by the Indiana horse racing commission and representing owners.

(b) The members of each development committee must be residents of Indiana who are knowledgeable in horse breeding and racing and must include one (1) member who is an owner and one (1) member who is a breeder. No more than two (2) members of each development committee may be members of the same political party.

(c) If more than one (1) horsemen's association for a breed represents owners, the associations must agree on the associations' appointment described in subsection (a)(3) to the development committee.

SECTION 6. IC 4-31-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. **Except as provided in section 5.5 of this chapter**, a member of a development committee serves a term of four (4) years. If a vacancy occurs on a development committee ~~the governor shall appoint due to the death, resignation, or removal of a member~~, a new member **shall be appointed** to serve for the remainder of the unexpired term **in the same manner as the original member was appointed under section 4 of this chapter.**

SECTION 7. IC 4-31-11-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5.5. **(a) This section applies to a member of a breed development committee appointed before July 1, 2015.**

(b) When a vacancy occurs on a breed development committee under this chapter for any reason, a new member shall be appointed in the following manner:

(1) The first appointment shall be made by the permit holder of the track where the breed of horse races.

(2) The second appointment shall be made by the horsemen's association described in section 4(a)(3) of this chapter.

(3) The third appointment shall be made by the governor.

(c) This section expires June 30, 2019.

SECTION 8. IC 4-31-11-15, AS AMENDED BY P.L.229-2011, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 15. **(a)** The commission shall use the development funds to provide purses and other funding for the activities described in section 9 of this chapter. The commission may pay:

(1) the operating costs of the development programs; and

(2) other costs of administering this chapter; and

(3) costs incurred to promote the horse racing industry in



Indiana;

from one (1) or more of the development funds. However, the amount used for each state fiscal year from these development funds to pay these costs may not exceed ~~two~~ **four** percent (~~2%~~) (**4%**) of the amount distributed to those funds during the immediately preceding state fiscal year under IC 4-35-7-12.

(b) The total amount of money used for each state fiscal year to pay promotional costs described in subsection (a)(3) may not exceed fifty percent (50%) of the total amount of money available under subsection (a) to pay the operating, administrative, and promotional costs described in subsection (a).

SECTION 9. IC 4-35-7-12, AS AMENDED BY P.L.210-2013, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 12. (a) The Indiana horse racing commission shall enforce the requirements of this section.

(b) A licensee shall before the fifteenth day of each month distribute the following amounts for the support of the Indiana horse racing industry:

(1) An amount equal to fifteen percent (15%) of the adjusted gross receipts of the slot machine wagering from the previous month at each casino operated by the licensee with respect to adjusted gross receipts received after June 30, 2013, and before January 1, 2014.

(2) The percentage of the adjusted gross receipts of the slot machine wagering from the previous month at each casino operated by the licensee that is determined under section 16 or 17 of this chapter with respect to adjusted gross receipts received after December 31, 2013.

(c) The Indiana horse racing commission may not use any of the money distributed under this section for any administrative purpose or other purpose of the Indiana horse racing commission.

(d) A licensee shall distribute the money devoted to horse racing purses and to horsemen's associations under this subsection as follows:

(1) Five-tenths percent (0.5%) shall be transferred to horsemen's associations for equine promotion or welfare according to the ratios specified in subsection (g).

(2) Two and five-tenths percent (2.5%) shall be transferred to horsemen's associations for backside benevolence according to the ratios specified in subsection (g).

(3) Ninety-seven percent (97%) shall be distributed to promote horses and horse racing as provided in subsection (f).

(e) A horsemen's association shall expend the amounts distributed



to the horsemen's association under subsection (d)(1) through (d)(2) for a purpose promoting the equine industry or equine welfare or for a benevolent purpose that the horsemen's association determines is in the best interests of horse racing in Indiana for the breed represented by the horsemen's association. Expenditures under this subsection are subject to the regulatory requirements of subsection (h).

(f) A licensee shall distribute the amounts described in subsection (d)(3) as follows:

- (1) Forty-six percent (46%) for thoroughbred purposes as follows:
 - (A) ~~Sixty~~ **Fifty-five** percent (~~60%~~) (**55%**) for the following purposes:
 - (i) Ninety-seven percent (97%) for thoroughbred purses.
 - (ii) Two and four-tenths percent (2.4%) to the horsemen's association representing thoroughbred owners and trainers.
 - (iii) Six-tenths percent (0.6%) to the horsemen's association representing thoroughbred owners and breeders.
 - (B) ~~Forty~~ **Forty-five** percent (~~40%~~) (**45%**) to the breed development fund established for thoroughbreds under IC 4-31-11-10.
- (2) Forty-six percent (46%) for standardbred purposes as follows:
 - (A) Three hundred seventy-five thousand dollars (\$375,000) to the state fair commission to be used by the state fair commission to support standardbred racing and facilities at the state fairgrounds.
 - (B) One hundred twenty-five thousand dollars (\$125,000) to the state fair commission to be used by the state fair commission to make grants to county fairs to support standardbred racing and facilities at county fair tracks. The state fair commission shall establish a review committee to include the standardbred association board, the Indiana horse racing commission, and the Indiana county fair association to make recommendations to the state fair commission on grants under this clause.
 - (C) Fifty percent (50%) of the amount remaining after the distributions under clauses (A) and (B) for the following purposes:
 - (i) Ninety-six and five-tenths percent (96.5%) for standardbred purses.
 - (ii) Three and five-tenths percent (3.5%) to the horsemen's association representing standardbred owners and trainers.
 - (D) Fifty percent (50%) of the amount remaining after the distributions under clauses (A) and (B) to the breed



development fund established for standardbreds under IC 4-31-11-10.

- (3) Eight percent (8%) for quarter horse purposes as follows:
 - (A) Seventy percent (70%) for the following purposes:
 - (i) Ninety-five percent (95%) for quarter horse purses.
 - (ii) Five percent (5%) to the horsemen's association representing quarter horse owners and trainers.
 - (B) Thirty percent (30%) to the breed development fund established for quarter horses under IC 4-31-11-10.

Expenditures under this subsection are subject to the regulatory requirements of subsection (h).

(g) Money distributed under subsection (d)(1) and (d)(2) shall be allocated as follows:

- (1) Forty-six percent (46%) to the horsemen's association representing thoroughbred owners and trainers.
- (2) Forty-six percent (46%) to the horsemen's association representing standardbred owners and trainers.
- (3) Eight percent (8%) to the horsemen's association representing quarter horse owners and trainers.

(h) Money distributed under this section may not be expended unless the expenditure is for a purpose authorized in this section and is either for a purpose promoting the equine industry or equine welfare or is for a benevolent purpose that is in the best interests of horse racing in Indiana or the necessary expenditures for the operations of the horsemen's association required to implement and fulfill the purposes of this section. The Indiana horse racing commission may review any expenditure of money distributed under this section to ensure that the requirements of this section are satisfied. The Indiana horse racing commission shall adopt rules concerning the review and oversight of money distributed under this section and shall adopt rules concerning the enforcement of this section. The following apply to a horsemen's association receiving a distribution of money under this section:

- (1) The horsemen's association must annually file a report with the Indiana horse racing commission concerning the use of the money by the horsemen's association. The report must include information as required by the commission.
- (2) The horsemen's association must register with the Indiana horse racing commission.

The state board of accounts shall annually audit the accounts, books, and records of the Indiana horse racing commission, each horsemen's association, a licensee, and any association for backside benevolence containing any information relating to the distribution of money under



this section.

(i) The commission shall provide the Indiana horse racing commission with the information necessary to enforce this section.

(j) The Indiana horse racing commission shall investigate any complaint that a licensee has failed to comply with the horse racing purse requirements set forth in this section. If, after notice and a hearing, the Indiana horse racing commission finds that a licensee has failed to comply with the purse requirements set forth in this section, the Indiana horse racing commission may:

- (1) issue a warning to the licensee;
- (2) impose a civil penalty that may not exceed one million dollars (\$1,000,000); or
- (3) suspend a meeting permit issued under IC 4-31-5 to conduct a pari-mutuel wagering horse racing meeting in Indiana.

(k) A civil penalty collected under this section must be deposited in the state general fund.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

