

SENATE BILL No. 388

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-33.

Synopsis: Riverboat operations in Gary. Authorizes the Gary based riverboats to move inland within the city of Gary. Requires an inland casino to comply with all applicable building codes and any safety requirements imposed by the gaming commission. Provides that a licensed owner may not simultaneously conduct gaming operations at an inland casino and a docked riverboat. Provides that a licensed owner is not required to obtain the gaming commission's approval before relocating the licensed owner's gaming operations under this law. Prohibits the gaming commission from imposing a fee for the privilege of relocating a licensed owner's gaming operations. Makes conforming changes and technical corrections.

Effective: July 1, 2014.

Rogers

January 14, 2014, read first time and referred to Committee on Public Policy.



Second Regular Session 118th General Assembly (2014)

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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

SENATE BILL No. 388



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 4-33-2-17, AS AMENDED BY P.L.15-2011,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2014]: Sec. 17. "Riverboat" means any of the following on
4 which lawful gambling is authorized under this article:

5 (1) A self-propelled excursion boat located in a county described
6 in IC 4-33-1-1(1) or IC 4-33-1-1(2) that complies with
7 ~~IC 4-33-6-6(a)~~. **IC 4-33-6-6(b)**.

8 (2) A casino located in a historic hotel district.

9 (3) A permanently moored craft operating from a county
10 described in IC 4-33-1-1(1) or IC 4-33-1-1(2).

11 **(4) An inland casino operating under IC 4-33-6-24.**

12 SECTION 2. IC 4-33-4-1 IS AMENDED TO READ AS FOLLOWS
13 [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) The commission has the
14 following powers and duties for the purpose of administering,
15 regulating, and enforcing the system of riverboat gambling established
16 under this article:



- 1 (1) All powers and duties specified in this article.
- 2 (2) All powers necessary and proper to fully and effectively
- 3 execute this article.
- 4 (3) Jurisdiction and supervision over the following:
- 5 (A) All riverboat gambling operations in Indiana.
- 6 (B) All persons on riverboats where gambling operations are
- 7 conducted.
- 8 (4) Investigate and reinvestigate applicants and license holders
- 9 and determine the eligibility of applicants for licenses or
- 10 operating agent contracts.
- 11 (5) Select among competing applicants the applicants that
- 12 promote the most economic development in ~~a home dock~~ **the area**
- 13 **in which the riverboat is located** and that best serve the interests
- 14 of the citizens of Indiana.
- 15 (6) Take appropriate administrative enforcement or disciplinary
- 16 action against a licensee or an operating agent.
- 17 (7) Investigate alleged violations of this article.
- 18 (8) Establish fees for licenses issued under this article.
- 19 (9) Adopt appropriate standards for the design, appearance,
- 20 aesthetics, and construction for riverboats and facilities.
- 21 (10) Conduct hearings.
- 22 (11) Issue subpoenas for the attendance of witnesses and
- 23 subpoenas duces tecum for the production of books, records, and
- 24 other relevant documents.
- 25 (12) Administer oaths and affirmations to the witnesses.
- 26 (13) Prescribe a form to be used by an operating agent or a
- 27 licensee involved in the ownership or management of gambling
- 28 operations as an application for employment by potential
- 29 employees.
- 30 (14) Revoke, suspend, or renew licenses issued under this article.
- 31 (15) Hire employees to gather information, conduct
- 32 investigations, and carry out other tasks under this article.
- 33 (16) Take any reasonable or appropriate action to enforce this
- 34 article.

35 (b) Applicants and license holders shall reimburse the commission
 36 for costs related to investigations and reinvestigations conducted under
 37 subsection (a)(4).

38 SECTION 3. IC 4-33-4-13, AS AMENDED BY P.L.15-2011,
 39 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2014]: Sec. 13. (a) This section does not apply to a riverboat:

- 41 (1) located in a historic hotel district; **or**
- 42 (2) **described in IC 4-33-2-17(4).**



1 (b) After consulting with the United States Army Corps of
2 Engineers, the commission may do the following:

3 (1) Determine the waterways that are navigable waterways for
4 purposes of this article.

5 (2) Determine the navigable waterways that are suitable for the
6 operation of riverboats under this article.

7 (3) Approve a plan submitted under IC 4-33-6-23 for:

8 (A) the construction of a new permanently moored craft; or

9 (B) the conversion of a self-propelled excursion boat into a
10 permanently moored craft.

11 (c) In determining the navigable waterways on which riverboats may
12 operate, the commission shall do the following:

13 (1) Obtain any required approvals from the United States Army
14 Corps of Engineers for the operation of riverboats on those
15 waterways.

16 (2) Consider the economic benefit that riverboat gambling
17 provides to Indiana.

18 (3) Seek to ensure that all regions of Indiana share in the
19 economic benefits of riverboat gambling.

20 SECTION 4. IC 4-33-6-1, AS AMENDED BY P.L.229-2013,
21 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2014]: Sec. 1. (a) The commission may issue to a person a
23 license to own a riverboat subject to the numerical and geographical
24 limitation of owner's licenses under this section, section 3.5 of this
25 chapter, and IC 4-33-4-17. However, not more than ten (10) owner's
26 licenses may be in effect at any time. Those ten (10) licenses are as
27 follows:

28 (1) Two (2) licenses for a **riverboat that operates two (2)**
29 **riverboats located in or operating** from the city of Gary.

30 (2) One (1) license for a riverboat that operates from the city of
31 Hammond.

32 (3) One (1) license for a riverboat that operates from the city of
33 East Chicago.

34 (4) One (1) license for a city located in the counties described
35 under IC 4-33-1-1(1). This license may not be issued to a city
36 described in subdivisions (1) through (3).

37 (5) A total of five (5) licenses for riverboats that operate upon the
38 Ohio River from the following counties:

39 (A) Vanderburgh County.

40 (B) Harrison County.

41 (C) Switzerland County.

42 (D) Ohio County.



- 1 (E) Dearborn County.
 2 The commission may not issue a license to an applicant if the
 3 issuance of the license would result in more than one (1) riverboat
 4 operating from a county described in this subdivision.
 5 (b) In addition to its power to issue owner's licenses under
 6 subsection (a), the commission may also enter into a contract under
 7 IC 4-33-6.5 with respect to the operation of one (1) riverboat on behalf
 8 of the commission in a historic hotel district.
 9 (c) A person holding an owner's license may not move the person's
 10 riverboat from the county in which the riverboat was docked on
 11 January 1, 2007, to any other county.
 12 SECTION 5. IC 4-33-6-4 IS AMENDED TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) In determining whether to
 14 grant an owner's license to an applicant, the commission shall consider
 15 the following:
 16 (1) The character, reputation, experience, and financial integrity
 17 of the following:
 18 (A) The applicant.
 19 (B) A person that:
 20 (i) directly or indirectly controls the applicant; or
 21 (ii) is directly or indirectly controlled by the applicant or by
 22 a person that directly or indirectly controls the applicant.
 23 (2) The facilities or proposed facilities for the conduct of
 24 riverboat gambling.
 25 (3) The highest prospective total revenue to be collected by the
 26 state from the conduct of riverboat gambling.
 27 (4) The good faith affirmative action plan of each applicant to
 28 recruit, train, and upgrade minorities in all employment
 29 classifications.
 30 (5) The financial ability of the applicant to purchase and maintain
 31 adequate liability and casualty insurance.
 32 (6) If the applicant has adequate capitalization to provide and
 33 maintain a riverboat for the duration of the license.
 34 (7) The extent to which the applicant exceeds or meets other
 35 standards adopted by the commission.
 36 (b) **This subsection does not apply to:**
 37 (1) **a person applying for an owner's license to conduct**
 38 **gaming operations at an inland casino under section 24 of this**
 39 **chapter; or**
 40 (2) **a person applying for an owner's license to assume control**
 41 **of a riverboat operating from a dock previously approved by**
 42 **the commission.**



1 In an application for an owner's license, the applicant must submit to
 2 the commission a proposed design of the riverboat and the dock. The
 3 commission may not grant a license to an applicant if the commission
 4 determines that it will be difficult or unlikely for the riverboat to depart
 5 from the dock.

6 SECTION 6. IC 4-33-6-5 IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2014]: Sec. 5. In an application for an owner's
 8 license, the applicant must state:

9 (1) the dock at which the riverboat is based and the navigable
 10 waterway on which the riverboat will operate; or

11 (2) **in the case of an application for an owner's license to own
 12 and operate an inland casino under section 24 of this chapter,
 13 the site of the inland casino.**

14 SECTION 7. IC 4-33-6-6, AS AMENDED BY P.L.15-2011,
 15 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2014]: Sec. 6. **(a) This section does not apply to an inland
 17 casino operated under section 24 of this chapter.**

18 ~~(a)~~ **(b)** Except as provided in subsection ~~(c)~~; **(d)**, a riverboat that
 19 operates in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2)
 20 must:

21 (1) have either:

22 (A) a valid certificate of inspection from the United States
 23 Coast Guard for the carrying of at least five hundred (500)
 24 passengers; or

25 (B) a valid certificate of compliance with marine structural and
 26 life safety standards determined by the commission; and

27 (2) be at least one hundred fifty (150) feet in length.

28 ~~(b)~~ **(c)** This subsection applies only to a riverboat that operates on
 29 the Ohio River. A riverboat must replicate, as nearly as possible,
 30 historic Indiana steamboat passenger vessels of the nineteenth century.
 31 However, steam propulsion or overnight lodging facilities are not
 32 required under this subsection.

33 ~~(c)~~ **(d)** A riverboat described in IC 4-33-2-17(3) must have a valid
 34 certificate of compliance with the marine structural and life safety
 35 standards determined by the commission under IC 4-33-4-13.5 for a
 36 permanently moored craft.

37 SECTION 8. IC 4-33-6-10 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) An owner's
 39 license issued under this chapter permits the holder to own and operate
 40 one (1) riverboat and equipment for each license.

41 (b) The holder of an owner's license issued under this chapter may
 42 implement flexible scheduling for the operation of the holder's



1 riverboat under section 21 of this chapter.

2 (c) **This subsection does not apply to an owner's license held by**
 3 **a licensed owner whose gaming operations are relocated to an**
 4 **inland location under section 24 of this chapter.** An owner's license
 5 issued under this chapter must specify the place where the riverboat
 6 must operate and dock. However, the commission may permit the
 7 riverboat to dock at a temporary dock in the applicable city for a
 8 specific period of time not to exceed one (1) year after the owner's
 9 license is issued.

10 (d) An owner's initial license expires five (5) years after the
 11 effective date of the license.

12 SECTION 9. IC 4-33-6-18 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 18. (a) This subsection
 14 applies to cities described in section 1(a)(1) through 1(a)(4) ~~or section~~
 15 ~~(1)(b)~~ of this chapter. The commission may not issue a license
 16 authorizing a riverboat to dock in a city unless the legislative body of
 17 the city has approved an ordinance permitting the docking of riverboats
 18 in the city.

19 (b) This subsection applies to a county described in section 1(a)(5)
 20 of this chapter if the largest city in the county is contiguous to the Ohio
 21 River. The commission may not issue a license authorizing a riverboat
 22 to dock in the county unless an ordinance permitting the docking of
 23 riverboats in the county has been approved by the legislative body of
 24 the largest city in the county. The license must specify that the home
 25 dock of the riverboat is to be located in the largest city in the county.

26 (c) This subsection applies to a county described in section 1(a)(5)
 27 of this chapter if the largest city in the county is not contiguous to the
 28 Ohio River. The commission may not issue a license authorizing a
 29 riverboat to dock in the county unless an ordinance permitting the
 30 docking of riverboats in the county has been approved by the county
 31 fiscal body.

32 (d) This subsection applies to a county in which a historic hotel
 33 district is located. The commission may not enter into a contract under
 34 IC 4-33-6.5 for the operation of a riverboat in the county unless an
 35 ordinance permitting the ~~docking operation~~ of riverboats in the county
 36 has been approved by the county fiscal body.

37 (e) **An ordinance adopted before June 30, 2014, authorizing a**
 38 **riverboat to dock in a city is sufficient to authorize an inland casino**
 39 **to operate in the city under section 24 of this chapter.**

40 SECTION 10. IC 4-33-6-23, AS ADDED BY P.L.15-2011,
 41 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2014]: Sec. 23. (a) A licensed owner may submit to the



1 commission a plan for:

- 2 (1) constructing a permanently moored craft to replace the
3 licensed owner's self-propelled excursion boat; or
4 (2) converting the licensed owner's self-propelled excursion boat
5 into a permanently moored craft.

6 (b) Upon receiving the commission's approval of a conversion plan
7 submitted under subsection (a), a licensed owner may disable the
8 propulsion and navigation equipment that had been required to comply
9 with section ~~6(a)~~ **6(b)** of this chapter.

10 (c) A licensed owner operating a permanently moored craft is not
11 required to employ personnel that had been required to operate a
12 self-propelled excursion boat.

13 SECTION 11. IC 4-33-6-24 IS ADDED TO THE INDIANA CODE
14 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
15 1, 2014]: **Sec. 24. (a) This section applies to a licensed owner
16 operating a riverboat from the city of Gary.**

17 **(b) A licensed owner may relocate the licensed owner's gaming
18 operations from a docked riverboat to an inland casino if the
19 following conditions are met:**

- 20 **(1) The casino is located on real property located within the
21 city of Gary.**
22 **(2) The casino complies with all applicable building codes and
23 any safety requirements imposed by the commission.**

24 **(c) A licensed owner may not simultaneously conduct gaming
25 operations at an inland casino and a docked riverboat.**

26 **(d) A licensed owner is not required to obtain the commission's
27 approval before relocating the licensed owner's gaming operations
28 under this section. The commission may not impose a fee for the
29 privilege of relocating a licensed owner's gaming operations under
30 this section.**

31 SECTION 12. IC 4-33-9-10.5, AS ADDED BY P.L.15-2011,
32 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2014]: **Sec. 10.5. (a) Except as provided by subsection (e),**
34 a licensed owner or an operating agent may apply to the commission
35 for approval to conduct card tournaments at a facility other than the
36 riverboat on which the licensed owner or operating agent is authorized
37 to conduct gambling games under this article.

38 (b) The application must specify the facility in which the licensed
39 owner or operating agent will conduct the card tournament if the
40 application is approved. The facility must be in a hotel or other
41 permanent structure that is:

- 42 (1) owned or leased by the licensed owner or operating agent; and



- 1 (2) located on land that is adjacent to:
 2 (A) the dock to which the applicant's riverboat is moored; or
 3 (B) the land on which the applicant's riverboat is situated, in
 4 the case of an application submitted by an operating agent.
 5 (c) The application must be submitted on a form prescribed by the
 6 commission. The application must state the:
 7 (1) date;
 8 (2) time;
 9 (3) place; and
 10 (4) nature;
 11 of the proposed card tournament. The commission may require the
 12 applicant to submit any additional information relevant to the
 13 commission's consideration of the application.
 14 (d) As a condition of its approval, the commission may impose upon
 15 the applicant any requirement that the commission determines is
 16 necessary to protect the credibility and integrity of gambling operations
 17 authorized by this article.
 18 (e) **A licensed owner that operates an inland casino under**
 19 **IC 4-33-6-24 may not apply for the commission's approval to**
 20 **conduct a card tournament at a facility other than the inland**
 21 **casino.**
 22 SECTION 13. IC 4-33-11-2 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. An appeal of a final
 24 rule or order of the commission may be commenced under IC 4-21.5 in
 25 the circuit court of the county ~~containing the dock where the riverboat~~
 26 ~~is based:~~ **in which the riverboat is located.**
 27 SECTION 14. IC 4-33-12-6, AS AMENDED BY P.L.229-2013,
 28 SECTION 17, AND AS AMENDED BY P.L.205-2013, SECTION 67,
 29 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) The department shall place
 31 in the state general fund the tax revenue collected under this chapter.
 32 (b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7,
 33 the treasurer of state shall quarterly pay the following amounts:
 34 (1) Except as provided in subsection (k), one dollar (\$1) of the
 35 admissions tax collected by the licensed owner for each person
 36 embarking on a gambling excursion during the quarter or
 37 admitted to a riverboat that has implemented flexible scheduling
 38 under IC 4-33-6-21 during the quarter shall be paid to:
 39 (A) the city in which the riverboat is docked, if the city:
 40 (i) is located in a county having a population of more than
 41 one hundred eleven thousand (111,000) but less than one
 42 hundred fifteen thousand (115,000); or



- 1 (ii) is contiguous to the Ohio River and is the largest city in
2 the county; and
- 3 (B) the county in which the riverboat is docked, if the
4 riverboat is not docked in a city described in clause (A).
- 5 (2) Except as provided in subsection (k), one dollar (\$1) of the
6 admissions tax collected by the licensed owner for each person:
7 (A) embarking on a gambling excursion during the quarter; or
8 (B) admitted to a riverboat during the quarter that has
9 implemented flexible scheduling under IC 4-33-6-21;
10 shall be paid to the county in which the riverboat is docked. In the
11 case of a county described in subdivision (1)(B), this one dollar
12 (\$1) is in addition to the one dollar (\$1) received under
13 subdivision (1)(B).
- 14 (3) Except as provided in subsection (k), ten cents (\$0.10) of the
15 admissions tax collected by the licensed owner for each person:
16 (A) embarking on a gambling excursion during the quarter; or
17 (B) admitted to a riverboat during the quarter that has
18 implemented flexible scheduling under IC 4-33-6-21;
19 shall be paid to the county convention and visitors bureau or
20 promotion fund for the county in which the riverboat is docked.
- 21 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of
22 the admissions tax collected by the licensed owner for each
23 person:
24 (A) embarking on a gambling excursion during the quarter; or
25 (B) admitted to a riverboat during a quarter that has
26 implemented flexible scheduling under IC 4-33-6-21;
27 shall be paid to the state fair commission, for use in any activity
28 that the commission is authorized to carry out under IC 15-13-3.
- 29 (5) Except as provided in subsection (k), ten cents (\$0.10) of the
30 admissions tax collected by the licensed owner for each person:
31 (A) embarking on a gambling excursion during the quarter; or
32 (B) admitted to a riverboat during the quarter that has
33 implemented flexible scheduling under IC 4-33-6-21;
34 shall be paid to the division of mental health and addiction. The
35 division shall allocate at least twenty-five percent (25%) of the
36 funds derived from the admissions tax to the prevention and
37 treatment of compulsive gambling.
- 38 (6) Except as provided in subsection (k), *and section 7 of this*
39 *chapter*, sixty-five cents (\$0.65) of the admissions tax collected
40 by the licensed owner for each person embarking on a gambling
41 excursion during the quarter or admitted to a riverboat during the
42 quarter that has implemented flexible scheduling under



1 IC 4-33-6-21 shall be paid to the *Indiana horse racing*
 2 *commission to be distributed as follows; in amounts determined*
 3 *by the Indiana horse racing commission; for the promotion and*
 4 *operation of horse racing in Indiana:*

5 *(A) To one (1) or more breed development funds established*
 6 *by the Indiana horse racing commission under IC 4-31-11-10:*

7 *(B) To a racetrack that was approved by the Indiana horse*
 8 *racing commission under IC 4-31. The commission may make*
 9 *a grant under this clause only for purses, promotions, and*
 10 *routine operations of the racetrack. No grants shall be made*
 11 *for long term capital investment or construction, and no*
 12 *grants shall be made before the racetrack becomes*
 13 *operational and is offering a racing schedule: state general*
 14 *fund.*

15 (c) With respect to tax revenue collected from a riverboat located in
 16 a historic hotel district, the treasurer of state shall quarterly pay the
 17 following:

18 (1) With respect to admissions taxes collected for a person
 19 admitted to the riverboat before July 1, 2010, the following
 20 amounts:

21 (A) Twenty-two percent (22%) of the admissions tax collected
 22 during the quarter shall be paid to the county treasurer of the
 23 county in which the riverboat is located. The county treasurer
 24 shall distribute the money received under this clause as
 25 follows:

26 (i) Twenty-two and seventy-five hundredths percent
 27 (22.75%) shall be quarterly distributed to the county
 28 treasurer of a county having a population of more than forty
 29 thousand (40,000) but less than forty-two thousand (42,000)
 30 for appropriation by the county fiscal body after receiving a
 31 recommendation from the county executive. The county
 32 fiscal body for the receiving county shall provide for the
 33 distribution of the money received under this item to one (1)
 34 or more taxing units (as defined in IC 6-1.1-1-21) in the
 35 county under a formula established by the county fiscal body
 36 after receiving a recommendation from the county executive.

37 (ii) Twenty-two and seventy-five hundredths percent
 38 (22.75%) shall be quarterly distributed to the county
 39 treasurer of a county having a population of more than ten
 40 thousand seven hundred (10,700) but less than twelve
 41 thousand (12,000) for appropriation by the county fiscal
 42 body. The county fiscal body for the receiving county shall



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provide for the distribution of the money received under this item to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(iii) Fifty-four and five-tenths percent (54.5%) shall be retained by the county where the riverboat is located for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(B) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more than two thousand (2,000) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(C) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand five hundred (19,500) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(D) Twenty percent (20%) of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

- (i) is located in the county in which the riverboat is located; and
- (ii) contains a historic hotel.

At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(E) Ten percent (10%) of the admissions tax collected during the quarter shall be paid to the Orange County development commission established under IC 36-7-11.5. At least one-third (1/3) of the taxes paid to the Orange County development commission under this clause must be transferred to the Orange County convention and visitors bureau.

(F) Thirteen percent (13%) of the admissions tax collected



1 during the quarter shall be paid to the West Baden Springs
 2 historic hotel preservation and maintenance fund established
 3 by IC 36-7-11.5-11(b).

4 (G) Twenty-five percent (25%) of the admissions tax collected
 5 during the quarter shall be paid to the Indiana economic
 6 development corporation to be used by the corporation for the
 7 development and implementation of a regional economic
 8 development strategy to assist the residents of the county in
 9 which the riverboat is located and residents of contiguous
 10 counties in improving their quality of life and to help promote
 11 successful and sustainable communities. The regional
 12 economic development strategy must include goals concerning
 13 the following issues:

14 (i) Job creation and retention.

15 (ii) Infrastructure, including water, wastewater, and storm
 16 water infrastructure needs.

17 (iii) Housing.

18 (iv) Workforce training.

19 (v) Health care.

20 (vi) Local planning.

21 (vii) Land use.

22 (viii) Assistance to regional economic development groups.

23 (ix) Other regional development issues as determined by the
 24 Indiana economic development corporation.

25 (2) With respect to admissions taxes collected for a person
 26 admitted to the riverboat after June 30, 2010, the following
 27 amounts:

28 (A) Twenty-nine and thirty-three hundredths percent (29.33%)
 29 to the county treasurer of Orange County. The county treasurer
 30 shall distribute the money received under this clause as
 31 follows:

32 (i) Twenty-two and seventy-five hundredths percent
 33 (22.75%) to the county treasurer of Dubois County for
 34 distribution in the manner described in subdivision
 35 (1)(A)(i).

36 (ii) Twenty-two and seventy-five hundredths percent
 37 (22.75%) to the county treasurer of Crawford County for
 38 distribution in the manner described in subdivision
 39 (1)(A)(ii).

40 (iii) Fifty-four and five-tenths percent (54.5%) to be retained
 41 by the county treasurer of Orange County for appropriation
 42 by the county fiscal body after receiving a recommendation



- 1 from the county executive.
- 2 (B) Six and sixty-seven hundredths percent (6.67%) to the
- 3 fiscal officer of the town of Orleans. At least twenty percent
- 4 (20%) of the taxes received by the town under this clause must
- 5 be transferred to Orleans Community Schools.
- 6 (C) Six and sixty-seven hundredths percent (6.67%) to the
- 7 fiscal officer of the town of Paoli. At least twenty percent
- 8 (20%) of the taxes received by the town under this clause must
- 9 be transferred to the Paoli Community School Corporation.
- 10 (D) Twenty-six and sixty-seven hundredths percent (26.67%)
- 11 to be paid in equal amounts to the fiscal officers of the towns
- 12 of French Lick and West Baden Springs. At least twenty
- 13 percent (20%) of the taxes received by a town under this
- 14 clause must be transferred to the Springs Valley Community
- 15 School Corporation.
- 16 (E) Thirty and sixty-six hundredths percent (30.66%) to the
- 17 Indiana economic development corporation to be used in the
- 18 manner described in subdivision (1)(G).
- 19 (d) With respect to tax revenue collected from a riverboat that
- 20 operates from a county having a population of more than four hundred
- 21 thousand (400,000) but less than seven hundred thousand (700,000),
- 22 the treasurer of state shall quarterly pay the following amounts:
- 23 (1) Except as provided in subsection (k), one dollar (\$1) of the
- 24 admissions tax collected by the licensed owner for each person:
- 25 (A) embarking on a gambling excursion during the quarter; or
- 26 (B) admitted to a riverboat during the quarter that has
- 27 implemented flexible scheduling under IC 4-33-6-21;
- 28 shall be paid to the city in which the riverboat is ~~docked~~ **located**.
- 29 (2) Except as provided in subsection (k), one dollar (\$1) of the
- 30 admissions tax collected by the licensed owner for each person:
- 31 (A) embarking on a gambling excursion during the quarter; or
- 32 (B) admitted to a riverboat during the quarter that has
- 33 implemented flexible scheduling under IC 4-33-6-21;
- 34 shall be paid to the county in which the riverboat is ~~docked~~
- 35 **located**.
- 36 (3) Except as provided in subsection (k), nine cents (\$0.09) of the
- 37 admissions tax collected by the licensed owner for each person:
- 38 (A) embarking on a gambling excursion during the quarter; or
- 39 (B) admitted to a riverboat during the quarter that has
- 40 implemented flexible scheduling under IC 4-33-6-21;
- 41 shall be paid to the county convention and visitors bureau or
- 42 promotion fund for the county in which the riverboat is ~~docked~~



- 1 **located.**
- 2 (4) Except as provided in subsection (k), one cent (\$0.01) of the
- 3 admissions tax collected by the licensed owner for each person:
- 4 (A) embarking on a gambling excursion during the quarter; or
- 5 (B) admitted to a riverboat during the quarter that has
- 6 implemented flexible scheduling under IC 4-33-6-21;
- 7 shall be paid to the northwest Indiana law enforcement training
- 8 center.
- 9 (5) Except as provided in subsection (k), fifteen cents (\$0.15) of
- 10 the admissions tax collected by the licensed owner for each
- 11 person:
- 12 (A) embarking on a gambling excursion during the quarter; or
- 13 (B) admitted to a riverboat during a quarter that has
- 14 implemented flexible scheduling under IC 4-33-6-21;
- 15 shall be paid to the state fair commission for use in any activity
- 16 that the commission is authorized to carry out under IC 15-13-3.
- 17 (6) Except as provided in subsection (k), ten cents (\$0.10) of the
- 18 admissions tax collected by the licensed owner for each person:
- 19 (A) embarking on a gambling excursion during the quarter; or
- 20 (B) admitted to a riverboat during the quarter that has
- 21 implemented flexible scheduling under IC 4-33-6-21;
- 22 shall be paid to the division of mental health and addiction. The
- 23 division shall allocate at least twenty-five percent (25%) of the
- 24 funds derived from the admissions tax to the prevention and
- 25 treatment of compulsive gambling.
- 26 (7) Except as provided in subsection (k), *and section 7 of this*
- 27 ~~*chapter*~~, sixty-five cents (\$0.65) of the admissions tax collected
- 28 by the licensed owner for each person embarking on a gambling
- 29 excursion during the quarter or admitted to a riverboat during the
- 30 quarter that has implemented flexible scheduling under
- 31 IC 4-33-6-21 shall be paid to the *Indiana horse racing*
- 32 *commission to be distributed as follows, in amounts determined*
- 33 *by the Indiana horse racing commission, for the promotion and*
- 34 *operation of horse racing in Indiana:*
- 35 (A) *To one (1) or more breed development funds established*
- 36 *by the Indiana horse racing commission under IC 4-31-11-10.*
- 37 (B) *To a racetrack that was approved by the Indiana horse*
- 38 *racing commission under IC 4-31. The commission may make*
- 39 *a grant under this clause only for purses, promotions, and*
- 40 *routine operations of the racetrack. No grants shall be made*
- 41 *for long term capital investment or construction, and no*
- 42 *grants shall be made before the racetrack becomes*



- 1 ~~operational and is offering a racing schedule: state general~~
 2 ~~fund.~~
- 3 (e) Money paid to a unit of local government under subsection (b),
 4 (c), or (d):
- 5 (1) must be paid to the fiscal officer of the unit and may be
 6 deposited in the unit's general fund or riverboat fund established
 7 under IC 36-1-8-9, or both;
- 8 (2) may not be used to reduce the unit's maximum levy under
 9 IC 6-1.1-18.5 but may be used at the discretion of the unit to
 10 reduce the property tax levy of the unit for a particular year;
- 11 (3) may be used for any legal or corporate purpose of the unit,
 12 including the pledge of money to bonds, leases, or other
 13 obligations under IC 5-1-14-4; and
- 14 (4) is considered miscellaneous revenue.
- 15 (f) Money paid by the treasurer of state under subsection (b)(3) or
 16 (d)(3) shall be:
- 17 (1) deposited in:
- 18 (A) the county convention and visitor promotion fund; or
 19 (B) the county's general fund if the county does not have a
 20 convention and visitor promotion fund; and
- 21 (2) used only for the tourism promotion, advertising, and
 22 economic development activities of the county and community.
- 23 (g) Money received by the division of mental health and addiction
 24 under subsections (b)(5) and (d)(6):
- 25 (1) is annually appropriated to the division of mental health and
 26 addiction;
- 27 (2) shall be distributed to the division of mental health and
 28 addiction at times during each state fiscal year determined by the
 29 budget agency; and
- 30 (3) shall be used by the division of mental health and addiction
 31 for programs and facilities for the prevention and treatment of
 32 addictions to drugs, alcohol, and compulsive gambling, including
 33 the creation and maintenance of a toll free telephone line to
 34 provide the public with information about these addictions. The
 35 division shall allocate at least twenty-five percent (25%) of the
 36 money received to the prevention and treatment of compulsive
 37 gambling.
- 38 (h) This subsection applies to the following:
- 39 (1) Each entity receiving money under subsection ~~(b)~~: *(b)(1)*
 40 *through (b)(5)*.
- 41 (2) Each entity receiving money under subsection (d)(1) through
 42 (d)(2).



1 (3) Each entity receiving money under subsection (d)(5) through
 2 ~~(d)(7)~~: (d)(6).

3 The treasurer of state shall determine the total amount of money paid
 4 by the treasurer of state to an entity subject to this subsection during
 5 the state fiscal year 2002. The amount determined under this subsection
 6 is the base year revenue for each entity subject to this subsection. The
 7 treasurer of state shall certify the base year revenue determined under
 8 this subsection to each entity subject to this subsection.

9 (i) This subsection applies to an entity receiving money under
 10 subsection (d)(3) or (d)(4). The treasurer of state shall determine the
 11 total amount of money paid by the treasurer of state to the entity
 12 described in subsection (d)(3) during state fiscal year 2002. The
 13 amount determined under this subsection multiplied by nine-tenths
 14 (0.9) is the base year revenue for the entity described in subsection
 15 (d)(3). The amount determined under this subsection multiplied by
 16 one-tenth (0.1) is the base year revenue for the entity described in
 17 subsection (d)(4). The treasurer of state shall certify the base year
 18 revenue determined under this subsection to each entity subject to this
 19 subsection.

20 (j) This subsection does not apply to an entity receiving money
 21 under subsection (c). *For state fiscal years beginning after June 30,*
 22 ~~2002~~, The total amount of money distributed to an entity under this
 23 section during a state fiscal year may not exceed the entity's base year
 24 revenue as determined under subsection (h) or (i). If the treasurer of
 25 state determines that the total amount of money distributed to an entity
 26 under this section during a state fiscal year is less than the entity's base
 27 year revenue, the treasurer of state shall make a supplemental
 28 distribution to the entity under ~~IC 4-33-13-5(g)~~: IC 4-33-13-5.

29 (k) This subsection does not apply to an entity receiving money
 30 under subsection (c). *For state fiscal years beginning after June 30,*
 31 ~~2002~~, The treasurer of state shall pay that part of the riverboat
 32 admissions taxes that:

33 (1) exceeds a particular entity's base year revenue; and

34 (2) would otherwise be due to the entity under this section;
 35 to the state general fund instead of to the entity.

36 SECTION 15. IC 4-33-13-5, AS AMENDED BY P.L.229-2013,
 37 SECTION 21, AND AS AMENDED BY P.L.205-2013, SECTION 70,
 38 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) This subsection does not
 40 apply to tax revenue remitted by an operating agent operating a
 41 riverboat in a historic hotel district. After funds are appropriated under
 42 section 4 of this chapter, each month the treasurer of state shall



1 distribute the tax revenue deposited in the state gaming fund under this
2 chapter to the following:

3 (1) The first thirty-three million dollars (\$33,000,000) of tax
4 revenues collected under this chapter shall be set aside for
5 revenue sharing under subsection (e).

6 (2) Subject to subsection (c), twenty-five percent (25%) of the
7 remaining tax revenue remitted by each licensed owner shall be
8 paid:

9 (A) to the city ~~that is designated as the home dock of the~~
10 ~~riverboat from which the tax revenue was collected; in which~~
11 **the licensed owner's riverboat is located**, in the case of:

12 (i) a city described in IC 4-33-12-6(b)(1)(A); or

13 (ii) a city located in a county having a population of more
14 than four hundred thousand (400,000) but less than seven
15 hundred thousand (700,000); or

16 (B) to the county ~~that is designated as the home dock of the~~
17 ~~riverboat from which the tax revenue was collected; in which~~
18 **the licensed owner's riverboat is located**, in the case of a
19 riverboat ~~whose home dock that~~ is not **located** in a city
20 described in clause (A).

21 (3) Subject to subsection (d), the remainder of the tax revenue
22 remitted by each licensed owner shall be paid to the state general
23 fund. In each state fiscal year, the treasurer of state shall make the
24 transfer required by this subdivision not later than the last
25 business day of the month in which the tax revenue is remitted to
26 the state for deposit in the state gaming fund. However, if tax
27 revenue is received by the state on the last business day in a
28 month, the treasurer of state may transfer the tax revenue to the
29 state general fund in the immediately following month.

30 (b) This subsection applies only to tax revenue remitted by an
31 operating agent operating a riverboat in a historic hotel district. After
32 funds are appropriated under section 4 of this chapter, each month the
33 treasurer of state shall distribute the tax revenue remitted by the
34 operating agent under this chapter as follows:

35 (1) Thirty-seven and one-half percent (37.5%) shall be paid to the
36 state general fund.

37 (2) Nineteen percent (19%) shall be paid to the West Baden
38 Springs historic hotel preservation and maintenance fund
39 established by IC 36-7-11.5-11(b). However, at any time the
40 balance in that fund exceeds twenty million dollars
41 (\$20,000,000), the amount described in this subdivision shall be
42 paid to the state general fund.



- 1 (3) Eight percent (8%) shall be paid to the Orange County
- 2 development commission established under IC 36-7-11.5.
- 3 (4) Sixteen percent (16%) shall be paid in equal amounts to each
- 4 town that is located in the county in which the riverboat is located
- 5 and contains a historic hotel. The following apply to taxes
- 6 received by a town under this subdivision:
- 7 (A) At least twenty-five percent (25%) of the taxes must be
- 8 transferred to the school corporation in which the town is
- 9 located.
- 10 (B) At least twelve and five-tenths percent (12.5%) of the
- 11 taxes imposed on adjusted gross receipts received after June
- 12 30, 2010, must be transferred to the Orange County
- 13 development commission established by IC 36-7-11.5-3.5.
- 14 (5) Nine percent (9%) shall be paid to the county treasurer of the
- 15 county in which the riverboat is located. The county treasurer
- 16 shall distribute the money received under this subdivision as
- 17 follows:
- 18 (A) Twenty-two and twenty-five hundredths percent (22.25%)
- 19 shall be quarterly distributed to the county treasurer of a
- 20 county having a population of more than forty thousand
- 21 (40,000) but less than forty-two thousand (42,000) for
- 22 appropriation by the county fiscal body after receiving a
- 23 recommendation from the county executive. The county fiscal
- 24 body for the receiving county shall provide for the distribution
- 25 of the money received under this clause to one (1) or more
- 26 taxing units (as defined in IC 6-1.1-1-21) in the county under
- 27 a formula established by the county fiscal body after receiving
- 28 a recommendation from the county executive.
- 29 (B) Twenty-two and twenty-five hundredths percent (22.25%)
- 30 shall be quarterly distributed to the county treasurer of a
- 31 county having a population of more than ten thousand seven
- 32 hundred (10,700) but less than twelve thousand (12,000) for
- 33 appropriation by the county fiscal body after receiving a
- 34 recommendation from the county executive. The county fiscal
- 35 body for the receiving county shall provide for the distribution
- 36 of the money received under this clause to one (1) or more
- 37 taxing units (as defined in IC 6-1.1-1-21) in the county under
- 38 a formula established by the county fiscal body after receiving
- 39 a recommendation from the county executive.
- 40 (C) Fifty-five and five-tenths percent (55.5%) shall be retained
- 41 by the county in which the riverboat is located for
- 42 appropriation by the county fiscal body after receiving a



- 1 recommendation from the county executive.
- 2 (6) Five percent (5%) shall be paid to a town having a population
- 3 of more than two thousand (2,000) but less than three thousand
- 4 five hundred (3,500) located in a county having a population of
- 5 more than nineteen thousand five hundred (19,500) but less than
- 6 twenty thousand (20,000). At least forty percent (40%) of the
- 7 taxes received by a town under this subdivision must be
- 8 transferred to the school corporation in which the town is located.
- 9 (7) Five percent (5%) shall be paid to a town having a population
- 10 of more than three thousand five hundred (3,500) located in a
- 11 county having a population of more than nineteen thousand five
- 12 hundred (19,500) but less than twenty thousand (20,000). At least
- 13 forty percent (40%) of the taxes received by a town under this
- 14 subdivision must be transferred to the school corporation in which
- 15 the town is located.
- 16 (8) Five-tenths percent (0.5%) of the taxes imposed on adjusted
- 17 gross receipts received after June 30, 2010, shall be paid to the
- 18 Indiana economic development corporation established by
- 19 IC 5-28-3-1.
- 20 (c) For each city and county receiving money under subsection
- 21 (a)(2), the treasurer of state shall determine the total amount of money
- 22 paid by the treasurer of state to the city or county during the state fiscal
- 23 year 2002. The amount determined is the base year revenue for the city
- 24 or county. The treasurer of state shall certify the base year revenue
- 25 determined under this subsection to the city or county. The total
- 26 amount of money distributed to a city or county under this section
- 27 during a state fiscal year may not exceed the entity's base year revenue.
- 28 For each state fiscal year, the treasurer of state shall pay that part of the
- 29 riverboat wagering taxes that:
- 30 (1) exceeds a particular city's or county's base year revenue; and
- 31 (2) would otherwise be due to the city or county under this
- 32 section;
- 33 to the state general fund instead of to the city or county.
- 34 (d) Each state fiscal year the treasurer of state shall transfer from the
- 35 tax revenue remitted to the state general fund under subsection (a)(3)
- 36 to the build Indiana fund an amount that when added to the following
- 37 may not exceed two hundred fifty million dollars (\$250,000,000):
- 38 (1) Surplus lottery revenues under IC 4-30-17-3.
- 39 (2) Surplus revenue from the charity gaming enforcement fund
- 40 under IC 4-32.2-7-7.
- 41 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.
- 42 The treasurer of state shall make transfers on a monthly basis as needed



1 to meet the obligations of the build Indiana fund. If in any state fiscal
 2 year insufficient money is transferred to the state general fund under
 3 subsection (a)(3) to comply with this subsection, the treasurer of state
 4 shall reduce the amount transferred to the build Indiana fund to the
 5 amount available in the state general fund from the transfers under
 6 subsection (a)(3) for the state fiscal year.

7 (e) Before August 15 of each year, the treasurer of state shall
 8 distribute the wagering taxes set aside for revenue sharing under
 9 subsection (a)(1) to the county treasurer of each county that does not
 10 have a riverboat according to the ratio that the county's population
 11 bears to the total population of the counties that do not have a
 12 riverboat. Except as provided in subsection (h), the county auditor shall
 13 distribute the money received by the county under this subsection as
 14 follows:

15 (1) To each city located in the county according to the ratio the
 16 city's population bears to the total population of the county.

17 (2) To each town located in the county according to the ratio the
 18 town's population bears to the total population of the county.

19 (3) After the distributions required in subdivisions (1) and (2) are
 20 made, the remainder shall be retained by the county.

21 (f) Money received by a city, town, or county under subsection (e)
 22 or (h) may be used for any of the following purposes:

23 (1) To reduce the property tax levy of the city, town, or county for
 24 a particular year (a property tax reduction under this subdivision
 25 does not reduce the maximum levy of the city, town, or county
 26 under IC 6-1.1-18.5).

27 (2) For deposit in a special fund or allocation fund created under
 28 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
 29 IC 36-7-30 to provide funding for debt repayment.

30 (3) To fund sewer and water projects, including storm water
 31 management projects.

32 (4) For police and fire pensions.

33 (5) To carry out any governmental purpose for which the money
 34 is appropriated by the fiscal body of the city, town, or county.
 35 Money used under this subdivision does not reduce the property
 36 tax levy of the city, town, or county for a particular year or reduce
 37 the maximum levy of the city, town, or county under
 38 IC 6-1.1-18.5.

39 (g) This subsection does not apply to an entity receiving money
 40 under IC 4-33-12-6(c). Before September 15 of each year, the treasurer
 41 of state shall determine the total amount of money distributed to an
 42 entity under IC 4-33-12-6 during the preceding state fiscal year. If the



1 treasurer of state determines that the total amount of money distributed
 2 to an entity under IC 4-33-12-6 during the preceding state fiscal year
 3 was less than the entity's base year revenue (as determined under
 4 IC 4-33-12-6), the treasurer of state shall make a supplemental
 5 distribution to the entity from taxes collected under this chapter and
 6 deposited into the state general fund. *Except as provided in subsection*
 7 *(i), ~~or (j)~~*, the amount of an entity's supplemental distribution is equal
 8 to:

9 (1) the entity's base year revenue (as determined under
 10 IC 4-33-12-6); minus

11 (2) the sum of:

12 (A) the total amount of money distributed to the entity during
 13 the preceding state fiscal year under IC 4-33-12-6; plus

14 (B) any amounts deducted under IC 6-3.1-20-7.

15 (h) This subsection applies only to a county containing a
 16 consolidated city. The county auditor shall distribute the money
 17 received by the county under subsection (e) as follows:

18 (1) To each city, other than a consolidated city, located in the
 19 county according to the ratio that the city's population bears to the
 20 total population of the county.

21 (2) To each town located in the county according to the ratio that
 22 the town's population bears to the total population of the county.

23 (3) After the distributions required in subdivisions (1) and (2) are
 24 made, the remainder shall be paid in equal amounts to the
 25 consolidated city and the county.

26 *(i) This subsection applies only to the Indiana horse racing*
 27 *commission. For each state fiscal year the amount of the Indiana horse*
 28 *racing commission's supplemental distribution under subsection (g)*
 29 *must be reduced by the amount required to comply with*
 30 *IC 4-33-12-7(a).*

31 *(j) (i) This subsection applies to a supplemental distribution made*
 32 *after June 30, 2013. The maximum amount of money that may be*
 33 *distributed under subsection (g) in a state fiscal year is forty-eight*
 34 *million dollars (\$48,000,000). If the total amount determined under*
 35 *subsection (g) exceeds forty-eight million dollars (\$48,000,000), the*
 36 *amount distributed to an entity under subsection (g) must be reduced*
 37 *according to the ratio that the amount distributed to the entity under*
 38 *IC 4-33-12-6 bears to the total amount distributed under IC 4-33-12-6*
 39 *to all entities receiving a supplemental distribution.*

40 SECTION 16. IC 4-33-14-9 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) This section
 42 applies to a person holding an owner's licenses for riverboats operated



1 from a city described under IC 4-33-6-1(a)(1) through
2 IC 4-33-6-1(a)(3).

3 (b) The commission shall require persons holding owner's licenses
4 to adopt policies concerning the preferential hiring of residents of the
5 city in which the riverboat ~~docks~~ **is located** for riverboat jobs.

