



February 13, 2015

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## HOUSE BILL No. 1540

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DIGEST OF HB 1540 (Updated February 12, 2015 10:39 am - DI 107)

**Citations Affected:** IC 4-31; IC 4-33; IC 4-35; IC 4-36; IC 6-3.1; IC 6-8.1; IC 7.1-3; noncode.

**Synopsis:** Various gaming matters. Authorizes riverboats to move inland to adjacent properties. Removes obsolete provisions in the riverboat admissions tax law. Transfers certain duties in the administration of riverboat admissions and wagering taxes from the treasurer of state to the auditor of state to conform to actual practice. Extends until July 1, 2018, the availability of the deduction for wagers made by patrons using noncashable vouchers, coupons, electronic credits, or electronic promotions. Authorizes table games at the racinos. Imposes a separate wagering tax on table games. Establishes the Indiana gaming investment tax credit for certain capital investments that are made after December 31, 2015, and before January 1, 2021, by a licensed owner or operating agent of a riverboat or by a racino licensee. Provides that the amount of the tax credit is equal to 10% of the qualified capital investment made by the taxpayer during the taxable year. Specifies that the total amount of tax credits awarded may  
(Continued next page)

**Effective:** July 1, 2015; January 1, 2016.

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**Dermody, Brown T, GiaQuinta,  
Austin**

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January 20, 2015, read first time and referred to Committee on Public Policy.  
February 12, 2015, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

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HB 1540—LS 7218/DI 92



Digest Continued

not exceed \$40,000,000 in a state fiscal year. Provides that a percentage of adjusted gross receipts of gambling games at racinos shall be distributed to support the horse racing industry. (Current law provides that a percentage of adjusted gross receipts of slot machines at racinos shall be distributed to support the horse racing industry.) Provides that the wagering tax on table games at racinos is fixed at 91.5% of the adjusted gross receipts. Requires a racino to remove one electronic table game for each table game it installs. Provides that a racino may have a number of table games equal only to 50% of the electronic table games the licensee had in operation on February 1, 2015.

**HB 1540—LS 7218/DI 92**



February 13, 2015

First Regular Session of the 119th General Assembly (2015)

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.

## HOUSE BILL No. 1540

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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 4-31-2-7.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2015]: **Sec. 7.5. "Gambling game" has the meaning set forth in**  
4 **IC 4-35-2-5.**

5 SECTION 2. IC 4-31-7-1, AS AMENDED BY P.L.233-2007,  
6 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 JULY 1, 2015]: Sec. 1. (a) A person holding a permit to conduct a  
8 horse racing meeting or a license to operate a satellite facility may  
9 provide a place in the racing meeting grounds or enclosure or the  
10 satellite facility at which the person may conduct and supervise the  
11 pari-mutuel system of wagering by patrons of legal age on the horse  
12 races conducted or simulcast by the person. The person may not permit  
13 or use:

14 (1) another place other than that provided and designated by the  
15 person; or

**HB 1540—LS 7218/DI 92**



1 (2) another method or system of betting or wagering.  
 2 However, a permit holder licensed to conduct gambling games under  
 3 IC 4-35 may permit wagering on ~~slot machines~~ **gambling games** at a  
 4 racetrack as permitted by IC 4-35.

5 (b) Except as provided in section 7 of this chapter and IC 4-31-5.5,  
 6 the pari-mutuel system of wagering may not be conducted on any races  
 7 except the races at the racetrack, grounds, or enclosure for which the  
 8 person holds a permit.

9 SECTION 3. IC 4-31-9-1, AS AMENDED BY P.L.233-2007,  
 10 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2015]: Sec. 1. A person that holds a permit to conduct a horse  
 12 racing meeting or a license to operate a satellite facility shall withhold:

13 (1) eighteen percent (18%) of the total of money wagered on each  
 14 day at the racetrack or satellite facility (including money wagered  
 15 on exotic wagering pools, but excluding money wagered on ~~slot~~  
 16 **machines gambling games** under IC 4-35); plus

17 (2) an additional three and one-half percent (3.5%) of the total of  
 18 all money wagered on exotic wagering pools on each day at the  
 19 racetrack or satellite facility.

20 SECTION 4. IC 4-33-2-17, AS AMENDED BY P.L.15-2011,  
 21 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2015]: Sec. 17. "Riverboat" means any of the following on  
 23 which lawful gambling is authorized under this article:

24 (1) A self-propelled excursion boat located in a county described  
 25 in IC 4-33-1-1(1) or IC 4-33-1-1(2) that complies with  
 26 IC 4-33-6-6(a).

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

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

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

31 SECTION 5. IC 4-33-4-13, AS AMENDED BY P.L.15-2011,  
 32 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 33 JULY 1, 2015]: Sec. 13. (a) This section does not apply to a riverboat:

34 **(1) located in a historic hotel district; or**

35 **(2) described in IC 4-33-2-17(4).**

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

38 (1) Determine the waterways that are navigable waterways for  
 39 purposes of this article.

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

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



- 1 (A) the construction of a new permanently moored craft; or  
 2 (B) the conversion of a self-propelled excursion boat into a  
 3 permanently moored craft.  
 4 (c) In determining the navigable waterways on which riverboats may  
 5 operate, the commission shall do the following:  
 6 (1) Obtain any required approvals from the United States Army  
 7 Corps of Engineers for the operation of riverboats on those  
 8 waterways.  
 9 (2) Consider the economic benefit that riverboat gambling  
 10 provides to Indiana.  
 11 (3) Seek to ensure that all regions of Indiana share in the  
 12 economic benefits of riverboat gambling.  
 13 SECTION 6. IC 4-33-6-4 IS AMENDED TO READ AS FOLLOWS  
 14 [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) In determining whether to  
 15 grant an owner's license to an applicant, the commission shall consider  
 16 the following:  
 17 (1) The character, reputation, experience, and financial integrity  
 18 of the following:  
 19 (A) The applicant.  
 20 (B) A person that:  
 21 (i) directly or indirectly controls the applicant; or  
 22 (ii) is directly or indirectly controlled by the applicant or by  
 23 a person that directly or indirectly controls the applicant.  
 24 (2) The facilities or proposed facilities for the conduct of  
 25 riverboat gambling.  
 26 (3) The highest prospective total revenue to be collected by the  
 27 state from the conduct of riverboat gambling.  
 28 (4) The good faith affirmative action plan of each applicant to  
 29 recruit, train, and upgrade minorities in all employment  
 30 classifications.  
 31 (5) The financial ability of the applicant to purchase and maintain  
 32 adequate liability and casualty insurance.  
 33 (6) If the applicant has adequate capitalization to provide and  
 34 maintain a riverboat for the duration of the license.  
 35 (7) The extent to which the applicant exceeds or meets other  
 36 standards adopted by the commission.  
 37 (b) **This subsection does not apply to:**  
 38 **(1) a licensed owner constructing a new riverboat under**  
 39 **section 24 of this 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 7. IC 4-33-6-5 IS AMENDED TO READ AS FOLLOWS  
 7 [EFFECTIVE JULY 1, 2015]: 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 8. 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, 2015]: Sec. 6. (a) Except as provided in subsection (c) or (d),  
 17 a riverboat that operates in a county described in IC 4-33-1-1(1) or  
 18 IC 4-33-1-1(2) must:

19 (1) have either:

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

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

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

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

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

35 (d) **A riverboat constructed under section 24 of this chapter  
 36 must comply with all applicable building codes and any safety  
 37 requirements imposed by the commission.**

38 SECTION 9. IC 4-33-6-10 IS AMENDED TO READ AS  
 39 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. (a) An owner's  
 40 license issued under this chapter permits the holder to own and operate  
 41 one (1) riverboat and equipment for each license.

42 (b) The holder of an owner's license issued under this chapter may



1 implement flexible scheduling for the operation of the holder's  
2 riverboat under section 21 of this chapter.

3 (c) **Except as provided in subsections (d) and (e)**, an owner's  
4 license issued under this chapter must specify the place where the  
5 riverboat must operate and dock. ~~However,~~

6 (d) The commission may permit ~~the~~ a riverboat to dock at a  
7 temporary dock in the applicable city for a specific period of time not  
8 to exceed one (1) year after the owner's license is issued.

9 (e) **An owner's license issued with respect to a riverboat**  
10 **constructed under section 24 of this chapter must specify the site**  
11 **of the riverboat.**

12 ~~(f)~~ (f) An owner's initial license expires five (5) years after the  
13 effective date of the license.

14 SECTION 10. IC 4-33-6-24 IS ADDED TO THE INDIANA CODE  
15 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
16 1, 2015]: **Sec. 24. (a) For purposes of this section, property is**  
17 **considered to be adjacent to a riverboat dock site even if it is**  
18 **separated from the dock site by a public road or a railroad right of**  
19 **way.**

20 (b) **A licensed owner may relocate the licensed owner's gaming**  
21 **operation from a docked riverboat to an inland casino if the**  
22 **following conditions are met:**

23 (1) **The casino is located on property adjacent to the dock site**  
24 **of the licensed owner's riverboat.**

25 (2) **The casino complies with all applicable building codes and**  
26 **any safety requirements imposed by the commission.**

27 (3) **The commission approves the relocation of the licensed**  
28 **owner's gaming operation.**

29 (c) **The commission may impose any requirement upon a**  
30 **licensed owner relocating gaming operations under this section.**

31 (d) **The number of gaming positions offered by a licensed owner**  
32 **in an inland facility operated under this section may not exceed the**  
33 **number of gaming positions offered by the licensed owner in the**  
34 **licensed owner's docked riverboat on February 1, 2015, unless the**  
35 **gaming commission approves any increase proposed by the**  
36 **licensed owner.**

37 SECTION 11. IC 4-33-11-2 IS AMENDED TO READ AS  
38 FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 2.** An appeal of a final  
39 rule or order of the commission may be commenced under IC 4-21.5 in  
40 the circuit court of the county containing the dock ~~where~~ **or site of the**  
41 **riverboat. is based.**

42 SECTION 12. IC 4-33-12-6, AS AMENDED BY P.L.2-2014,



1 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2015]: Sec. 6. (a) The department shall place in the state  
3 general fund the tax revenue collected under this chapter.

4 (b) Except as provided by subsections (c) and (d), ~~and~~  
5 ~~IC 6-3-1-20-7~~, the **treasurer auditor** of state shall quarterly pay the  
6 following amounts:

7 (1) Except as provided in subsection (k), one dollar (\$1) of the  
8 admissions tax collected by the licensed owner for each person  
9 ~~embarking on a gambling excursion during the quarter or~~  
10 ~~admitted to a riverboat that has implemented flexible scheduling~~  
11 ~~under IC 4-33-6-21 during the preceding calendar quarter shall~~  
12 ~~be paid to:~~

13 (A) the city in which the riverboat is ~~docked~~, **located**, if the  
14 city:

15 (i) is located in a county having a population of more than  
16 one hundred eleven thousand (111,000) but less than one  
17 hundred fifteen thousand (115,000); or

18 (ii) is contiguous to the Ohio River and is the largest city in  
19 the county; and

20 (B) the county in which the riverboat is ~~docked~~, **located**, if the  
21 riverboat is not docked in a city described in clause (A).

22 (2) Except as provided in subsection (k), one dollar (\$1) of the  
23 admissions tax collected by the licensed owner for each person

24 (A) ~~embarking on a gambling excursion during the quarter; or~~

25 (B) admitted to a riverboat during the **preceding calendar**  
26 ~~quarter that has implemented flexible scheduling under~~  
27 ~~IC 4-33-6-21;~~

28 shall be paid to the county in which the riverboat is ~~docked~~:  
29 **located**. In the case of a county described in subdivision (1)(B),  
30 this one dollar (\$1) is in addition to the one dollar (\$1) received  
31 under subdivision (1)(B).

32 (3) Except as provided in subsection (k), ten cents (\$0.10) of the  
33 admissions tax collected by the licensed owner for each person

34 (A) ~~embarking on a gambling excursion during the quarter; or~~

35 (B) admitted to a riverboat during the **preceding calendar**  
36 ~~quarter that has implemented flexible scheduling under~~  
37 ~~IC 4-33-6-21;~~

38 shall be paid to the county convention and visitors bureau or  
39 promotion fund for the county in which the riverboat is ~~docked~~:  
40 **located**.

41 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of  
42 the admissions tax collected by the licensed owner for each





- 1 person
- 2 (A) ~~embarking on a gambling excursion during the quarter; or~~
- 3 (B) admitted to a riverboat during a **the preceding calendar**
- 4 **quarter that has implemented flexible scheduling under**
- 5 **IC 4-33-6-21;**
- 6 shall be paid to the state fair commission, for use in any activity
- 7 that the commission is authorized to carry out under IC 15-13-3.
- 8 (5) Except as provided in subsection (k), ten cents (\$0.10) of the
- 9 admissions tax collected by the licensed owner for each person
- 10 (A) ~~embarking on a gambling excursion during the quarter; or~~
- 11 (B) admitted to a riverboat during the **preceding calendar**
- 12 **quarter that has implemented flexible scheduling under**
- 13 **IC 4-33-6-21;**
- 14 shall be paid to the division of mental health and addiction. The
- 15 division shall allocate at least twenty-five percent (25%) of the
- 16 funds derived from the admissions tax to the prevention and
- 17 treatment of compulsive gambling.
- 18 (6) Except as provided in subsection (k), sixty-five cents (\$0.65)
- 19 of the admissions tax collected by the licensed owner for each
- 20 person ~~embarking on a gambling excursion during the quarter or~~
- 21 ~~admitted to a riverboat during the~~ **preceding calendar** quarter
- 22 **that has implemented flexible scheduling under IC 4-33-6-21**
- 23 **shall be paid to the state general fund.**
- 24 (c) With respect to tax revenue collected from a riverboat located in
- 25 a historic hotel district, the **treasurer auditor** of state shall quarterly pay
- 26 the following **amounts:**
- 27 (1) ~~With respect to admissions taxes collected for a person~~
- 28 ~~admitted to the riverboat before July 1, 2010; the following~~
- 29 ~~amounts:~~
- 30 (A) ~~Twenty-two percent (22%) of the admissions tax collected~~
- 31 ~~during the quarter shall be paid to the county treasurer of the~~
- 32 ~~county in which the riverboat is located. The county treasurer~~
- 33 ~~shall distribute the money received under this clause as~~
- 34 ~~follows:~~
- 35 (i) ~~Twenty-two and seventy-five hundredths percent~~
- 36 ~~(22.75%) shall be quarterly distributed to the county~~
- 37 ~~treasurer of a county having a population of more than forty~~
- 38 ~~thousand (40,000) but less than forty-two thousand (42,000)~~
- 39 ~~for appropriation by the county fiscal body after receiving a~~
- 40 ~~recommendation from the county executive. The county~~
- 41 ~~fiscal body for the receiving county shall provide for the~~
- 42 ~~distribution of the money received under this item to one (1)~~



1 or more taxing units (as defined in IC 6-1.1-1-21) in the  
 2 county under a formula established by the county fiscal body  
 3 after receiving a recommendation from the county executive.

4 (ii) Twenty-two and seventy-five hundredths percent  
 5 (22.75%) shall be quarterly distributed to the county  
 6 treasurer of a county having a population of more than ten  
 7 thousand seven hundred (10,700) but less than twelve  
 8 thousand (12,000) for appropriation by the county fiscal  
 9 body. The county fiscal body for the receiving county shall  
 10 provide for the distribution of the money received under this  
 11 item to one (1) or more taxing units (as defined in  
 12 IC 6-1.1-1-21) in the county under a formula established by  
 13 the county fiscal body after receiving a recommendation  
 14 from the county executive.

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

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

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

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

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

42 At least twenty percent (20%) of the taxes received by a town



- 1 under this clause must be transferred to the school corporation  
 2 in which the town is located.
- 3 (E) Ten percent (10%) of the admissions tax collected during  
 4 the quarter shall be paid to the Orange County development  
 5 commission established under IC 36-7-11.5. At least one-third  
 6 (1/3) of the taxes paid to the Orange County development  
 7 commission under this clause must be transferred to the  
 8 Orange County convention and visitors bureau.
- 9 (F) Thirteen percent (13%) of the admissions tax collected  
 10 during the quarter shall be paid to the West Baden Springs  
 11 historic hotel preservation and maintenance fund established  
 12 by IC 36-7-11.5-11(b).
- 13 (G) Twenty-five percent (25%) of the admissions tax collected  
 14 during the quarter shall be paid to the Indiana economic  
 15 development corporation to be used by the corporation for the  
 16 development and implementation of a regional economic  
 17 development strategy to assist the residents of the county in  
 18 which the riverboat is located and residents of contiguous  
 19 counties in improving their quality of life and to help promote  
 20 successful and sustainable communities. The regional  
 21 economic development strategy must include goals concerning  
 22 the following issues:
- 23 (i) Job creation and retention.
  - 24 (ii) Infrastructure, including water, wastewater, and storm  
 25 water infrastructure needs.
  - 26 (iii) Housing.
  - 27 (iv) Workforce training.
  - 28 (v) Health care.
  - 29 (vi) Local planning.
  - 30 (vii) Land use.
  - 31 (viii) Assistance to regional economic development groups.
  - 32 (ix) Other regional development issues as determined by the  
 33 Indiana economic development corporation.
- 34 (2) With respect to admissions taxes collected for a person  
 35 admitted to the riverboat after June 30, 2010, the following  
 36 amounts:
- 37 (A) (1) Twenty-nine and thirty-three hundredths percent (29.33%)  
 38 to the county treasurer of Orange County. The county treasurer  
 39 shall distribute the money received under this clause **subdivision**  
 40 as follows:
- 41 (i) (A) Twenty-two and seventy-five hundredths percent  
 42 (22.75%) to the county treasurer of Dubois County for



1 distribution in the manner described in subdivision ~~(1)(A)(i)~~:  
 2 **appropriation by the county fiscal body after receiving a**  
 3 **recommendation from the county executive. The county**  
 4 **fiscal body for the receiving county shall provide for the**  
 5 **distribution of the money received under this clause to one**  
 6 **(1) or more taxing units (as defined in IC 6-1.1-1-21) in the**  
 7 **county under a formula established by the county fiscal**  
 8 **body after receiving a recommendation from the county**  
 9 **executive.**  
 10 ~~(ii)~~ **(B)** Twenty-two and seventy-five hundredths percent  
 11 (22.75%) to the county treasurer of Crawford County for  
 12 distribution in the manner described in subdivision ~~(1)(A)(ii)~~:  
 13 **appropriation by the county fiscal body. The county fiscal**  
 14 **body for the receiving county shall provide for the**  
 15 **distribution of the money received under this clause to one**  
 16 **(1) or more taxing units (as defined in IC 6-1.1-1-21) in the**  
 17 **county under a formula established by the county fiscal**  
 18 **body after receiving a recommendation from the county**  
 19 **executive.**  
 20 ~~(iii)~~ **(C)** Fifty-four and five-tenths percent (54.5%) to be  
 21 retained by the county treasurer of Orange County for  
 22 appropriation by the county fiscal body after receiving a  
 23 recommendation from the county executive.  
 24 ~~(B)~~ **(2)** Six and sixty-seven hundredths percent (6.67%) to the  
 25 fiscal officer of the town of Orleans. At least twenty percent  
 26 (20%) of the taxes received by the town under this ~~clause~~  
 27 **subdivision** must be transferred to Orleans Community Schools.  
 28 ~~(C)~~ **(3)** Six and sixty-seven hundredths percent (6.67%) to the  
 29 fiscal officer of the town of Paoli. At least twenty percent (20%)  
 30 of the taxes received by the town under this ~~clause~~ **subdivision**  
 31 must be transferred to the Paoli Community School Corporation.  
 32 ~~(D)~~ **(4)** Twenty-six and sixty-seven hundredths percent (26.67%)  
 33 to be paid in equal amounts to the fiscal officers of the towns of  
 34 French Lick and West Baden Springs. At least twenty percent  
 35 (20%) of the taxes received by a town under this ~~clause~~  
 36 **subdivision** must be transferred to the Springs Valley Community  
 37 School Corporation.  
 38 ~~(E)~~ **(5)** Thirty and sixty-six hundredths percent (30.66%) to the  
 39 Indiana economic development corporation to be used ~~in the~~  
 40 **manner described in subdivision ~~(1)(G)~~: by the corporation for**  
 41 **the development and implementation of a regional economic**  
 42 **development strategy to assist the residents of the county in**



1 which the riverboat is located and residents of contiguous  
2 counties in improving their quality of life and to help promote  
3 successful and sustainable communities. The regional  
4 economic development strategy must include goals concerning  
5 the following issues:

- 6 (A) Job creation and retention.
- 7 (B) Infrastructure, including water, wastewater, and storm  
8 water infrastructure needs.
- 9 (C) Housing.
- 10 (D) Workforce training.
- 11 (E) Health care.
- 12 (F) Local planning.
- 13 (G) Land use.
- 14 (H) Assistance to regional economic development groups.
- 15 (I) Other regional development issues as determined by the  
16 Indiana economic development corporation.

17 (d) ~~With respect~~ **This subsection applies** to tax revenue collected  
18 from a riverboat that operates from a county having a population of  
19 more than four hundred thousand (400,000) but less than seven  
20 hundred thousand (700,000); **Lake County. Except as provided by**  
21 **IC 6-3.1-20-7**, the ~~treasurer~~ **auditor** of state shall quarterly pay the  
22 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 preceding calendar~~  
27 ~~quarter; that has implemented flexible scheduling under~~  
28 ~~IC 4-33-6-21;~~

29 shall be paid to the city in which the riverboat is ~~docked:~~ **located.**

30 (2) Except as provided in subsection (k), one dollar (\$1) of the  
31 admissions tax collected by the licensed owner for each person  
32 ~~(A) embarking on a gambling excursion during the quarter; or~~  
33 ~~(B) admitted to a riverboat during the preceding calendar~~  
34 ~~quarter; that has implemented flexible scheduling under~~  
35 ~~IC 4-33-6-21;~~

36 shall be paid to the county in which the riverboat is ~~docked:~~  
37 **located.**

38 (3) Except as provided in subsection (k), nine cents (\$0.09) of the  
39 admissions tax collected by the licensed owner for each person  
40 ~~(A) embarking on a gambling excursion during the quarter; or~~  
41 ~~(B) admitted to a riverboat during the preceding calendar~~  
42 ~~quarter that has implemented flexible scheduling under~~



- 1           ~~IC 4-33-6-21;~~  
 2           shall be paid to the county convention and visitors bureau or  
 3           promotion fund for the county in which the riverboat is ~~docked;~~  
 4           **located.**  
 5           (4) Except as provided in subsection (k), one cent (\$0.01) 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 **preceding calendar**~~  
 9           ~~quarter that has implemented flexible scheduling under~~  
 10           ~~IC 4-33-6-21;~~  
 11           shall be paid to the northwest Indiana law enforcement training  
 12           center.  
 13           (5) Except as provided in subsection (k), fifteen cents (\$0.15) of  
 14           the admissions tax collected by the licensed owner for each  
 15           person  
 16           ~~(A) embarking on a gambling excursion during the quarter; or~~  
 17           ~~(B) admitted to a riverboat during a **the preceding calendar**~~  
 18           ~~quarter that has implemented flexible scheduling under~~  
 19           ~~IC 4-33-6-21;~~  
 20           shall be paid to the state fair commission for use in any activity  
 21           that the commission is authorized to carry out under IC 15-13-3.  
 22           (6) Except as provided in subsection (k), ten cents (\$0.10) of the  
 23           admissions tax collected by the licensed owner for each person  
 24           ~~(A) embarking on a gambling excursion during the quarter; or~~  
 25           ~~(B) admitted to a riverboat during the **preceding calendar**~~  
 26           ~~quarter that has implemented flexible scheduling under~~  
 27           ~~IC 4-33-6-21;~~  
 28           shall be paid to the division of mental health and addiction. The  
 29           division shall allocate at least twenty-five percent (25%) of the  
 30           funds derived from the admissions tax to the prevention and  
 31           treatment of compulsive gambling.  
 32           ~~(7) Except as provided in subsection (k);~~ Sixty-five cents (\$0.65)  
 33           of the admissions tax collected by the licensed owner for each  
 34           person ~~embarking on a gambling excursion during the quarter or~~  
 35           admitted to a riverboat during the **preceding calendar** quarter  
 36           ~~that has implemented flexible scheduling under IC 4-33-6-21~~  
 37           shall be paid to the state general fund.  
 38           (e) Money paid to a unit of local government under subsection (b),  
 39           (c), or (d):  
 40           (1) must be paid to the fiscal officer of the unit and may be  
 41           deposited in the unit's general fund or riverboat fund established  
 42           under IC 36-1-8-9, or both;



1 (2) may not be used to reduce the unit's maximum levy under  
 2 IC 6-1.1-18.5 but may be used at the discretion of the unit to  
 3 reduce the property tax levy of the unit for a particular year;

4 (3) may be used for any legal or corporate purpose of the unit,  
 5 including the pledge of money to bonds, leases, or other  
 6 obligations under IC 5-1-14-4; and

7 (4) is considered miscellaneous revenue.

8 (f) Money paid by the ~~treasurer~~ **auditor** of state under subsection  
 9 (b)(3) or (d)(3) shall be:

10 (1) deposited in:

11 (A) the county convention and visitor promotion fund; or

12 (B) the county's general fund if the county does not have a  
 13 convention and visitor promotion fund; and

14 (2) used only for the tourism promotion, advertising, and  
 15 economic development activities of the county and community.

16 (g) Money received by the division of mental health and addiction  
 17 under subsections (b)(5) and (d)(6):

18 (1) is annually appropriated to the division of mental health and  
 19 addiction;

20 (2) shall be distributed to the division of mental health and  
 21 addiction at times during each state fiscal year determined by the  
 22 budget agency; and

23 (3) shall be used by the division of mental health and addiction  
 24 for programs and facilities for the prevention and treatment of  
 25 addictions to drugs, alcohol, and compulsive gambling, including  
 26 the creation and maintenance of a toll free telephone line to  
 27 provide the public with information about these addictions. The  
 28 division shall allocate at least twenty-five percent (25%) of the  
 29 money received to the prevention and treatment of compulsive  
 30 gambling.

31 (h) This subsection applies to the following:

32 (1) Each entity receiving money under subsection (b)(1) through  
 33 (b)(5).

34 (2) Each entity receiving money under subsection (d)(1) through  
 35 (d)(2).

36 (3) Each entity receiving money under subsection (d)(5) through  
 37 (d)(6).

38 The ~~treasurer~~ **auditor** of state shall determine the total amount of  
 39 money paid by the ~~treasurer~~ **auditor** of state to an entity subject to this  
 40 subsection during the state fiscal year 2002. The amount determined  
 41 under this subsection is the base year revenue for each entity subject to  
 42 this subsection. The ~~treasurer~~ **auditor** of state shall certify the base



1 year revenue determined under this subsection to each entity subject to  
2 this subsection.

3 (i) This subsection applies to an entity receiving money under  
4 subsection (d)(3) or (d)(4). The **treasurer auditor** of state shall  
5 determine the total amount of money paid by the **treasurer auditor** of  
6 state to the entity described in subsection (d)(3) during state fiscal year  
7 2002. The amount determined under this subsection multiplied by  
8 nine-tenths (0.9) is the base year revenue for the entity described in  
9 subsection (d)(3). The amount determined under this subsection  
10 multiplied by one-tenth (0.1) is the base year revenue for the entity  
11 described in subsection (d)(4). The **treasurer auditor** of state shall  
12 certify the base year revenue determined under this subsection to each  
13 entity subject to this subsection.

14 (j) This subsection does not apply to an entity receiving money  
15 under subsection (c). The total amount of money distributed to an entity  
16 under this section during a state fiscal year may not exceed the entity's  
17 base year revenue as determined under subsection (h) or (i). If the  
18 **treasurer auditor** of state determines that the total amount of money  
19 distributed to an entity under this section during a state fiscal year is  
20 less than the entity's base year revenue, the **treasurer auditor** of state  
21 shall make a supplemental distribution to the entity under IC 4-33-13-5.

22 (k) This subsection does not apply to an entity receiving money  
23 under subsection (c). The **treasurer auditor** of state shall pay that part  
24 of the riverboat admissions taxes that:

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

26 (2) would otherwise be due to the entity under this section;

27 to the state general fund instead of to the entity.

28 SECTION 13. IC 4-33-13-5, AS AMENDED BY P.L.2-2014,  
29 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
30 JULY 1, 2015]: Sec. 5. (a) This subsection does not apply to tax  
31 revenue remitted by an operating agent operating a riverboat in a  
32 historic hotel district. After funds are appropriated under section 4 of  
33 this chapter, each month the **treasurer auditor** of state shall distribute  
34 the tax revenue deposited in the state gaming fund under this chapter  
35 to the following:

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

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

42 (A) to the city that is designated as the home dock of the





- 1           riverboat from which the tax revenue was collected; **in which**  
 2           **the riverboat is located** in the case of:
- 3           (i) a city described in IC 4-33-12-6(b)(1)(A); or  
 4           (ii) a city located in a county having a population of more  
 5           than four hundred thousand (400,000) but less than seven  
 6           hundred thousand (700,000); **Lake County**; or  
 7           (B) to the county that is designated as the home dock of the  
 8           riverboat from which the tax revenue was collected; **in which**  
 9           **the riverboat is located**, in the case of a riverboat whose  
 10          home dock that is not located in a city described in clause  
 11          (A).
- 12          (3) Subject to subsection (d), the remainder of the tax revenue  
 13          remitted by each licensed owner shall be paid to the state general  
 14          fund. In each state fiscal year, the **treasurer auditor** of state shall  
 15          make the transfer required by this subdivision not later than the  
 16          last business day of the month in which the tax revenue is  
 17          remitted to the state for deposit in the state gaming fund.  
 18          However, if tax revenue is received by the state on the last  
 19          business day in a month, the **treasurer auditor** of state may  
 20          transfer the tax revenue to the state general fund in the  
 21          immediately following month.
- 22          (b) This subsection applies only to tax revenue remitted by an  
 23          operating agent operating a riverboat in a historic hotel district. After  
 24          funds are appropriated under section 4 of this chapter, each month the  
 25          **treasurer auditor** of state shall distribute the tax revenue remitted by  
 26          the operating agent under this chapter as follows:
- 27                  (1) Thirty-seven and one-half percent (37.5%) shall be paid to the  
 28                  state general fund.
- 29                  (2) Nineteen percent (19%) shall be paid to the West Baden  
 30                  Springs historic hotel preservation and maintenance fund  
 31                  established by IC 36-7-11.5-11(b). However, at any time the  
 32                  balance in that fund exceeds twenty million dollars  
 33                  (\$20,000,000), the amount described in this subdivision shall be  
 34                  paid to the state general fund.
- 35                  (3) Eight percent (8%) shall be paid to the Orange County  
 36                  development commission established under IC 36-7-11.5.
- 37                  (4) Sixteen percent (16%) shall be paid in equal amounts to each  
 38                  town that is located in the county in which the riverboat is located  
 39                  and contains a historic hotel. The following apply to taxes  
 40                  received by a town under this subdivision:
- 41                          (A) At least twenty-five percent (25%) of the taxes must be  
 42                          transferred to the school corporation in which the town is



- 1 located.
- 2 (B) At least twelve and five-tenths percent (12.5%) of the
- 3 taxes imposed on adjusted gross receipts received after June
- 4 30, 2010, must be transferred to the Orange County
- 5 development commission established by IC 36-7-11.5-3.5.
- 6 (5) Nine percent (9%) shall be paid to the county treasurer of the
- 7 county in which the riverboat is located. The county treasurer
- 8 shall distribute the money received under this subdivision as
- 9 follows:
- 10 (A) Twenty-two and twenty-five hundredths percent (22.25%)
- 11 shall be quarterly distributed to the county treasurer of a
- 12 county having a population of more than forty thousand
- 13 (40,000) but less than forty-two thousand (42,000) for
- 14 appropriation by the county fiscal body after receiving a
- 15 recommendation from the county executive. The county fiscal
- 16 body for the receiving county shall provide for the distribution
- 17 of the money received under this clause to one (1) or more
- 18 taxing units (as defined in IC 6-1.1-1-21) in the county under
- 19 a formula established by the county fiscal body after receiving
- 20 a recommendation from the county executive.
- 21 (B) Twenty-two and twenty-five hundredths percent (22.25%)
- 22 shall be quarterly distributed to the county treasurer of a
- 23 county having a population of more than ten thousand seven
- 24 hundred (10,700) but less than twelve thousand (12,000) for
- 25 appropriation by the county fiscal body after receiving a
- 26 recommendation from the county executive. The county fiscal
- 27 body for the receiving county shall provide for the distribution
- 28 of the money received under this clause to one (1) or more
- 29 taxing units (as defined in IC 6-1.1-1-21) in the county under
- 30 a formula established by the county fiscal body after receiving
- 31 a recommendation from the county executive.
- 32 (C) Fifty-five and five-tenths percent (55.5%) shall be retained
- 33 by the county in which the riverboat is located for
- 34 appropriation by the county fiscal body after receiving a
- 35 recommendation from the county executive.
- 36 (6) Five percent (5%) shall be paid to a town having a population
- 37 of more than two thousand (2,000) but less than three thousand
- 38 five hundred (3,500) located in a county having a population of
- 39 more than nineteen thousand five hundred (19,500) but less than
- 40 twenty thousand (20,000). At least forty percent (40%) of the
- 41 taxes received by a town under this subdivision must be
- 42 transferred to the school corporation in which the town is located.



1 (7) Five percent (5%) shall be paid to a town having a population  
 2 of more than three thousand five hundred (3,500) located in a  
 3 county having a population of more than nineteen thousand five  
 4 hundred (19,500) but less than twenty thousand (20,000). At least  
 5 forty percent (40%) of the taxes received by a town under this  
 6 subdivision must be transferred to the school corporation in which  
 7 the town is located.

8 (8) Five-tenths percent (0.5%) of the taxes imposed on adjusted  
 9 gross receipts received after June 30, 2010, shall be paid to the  
 10 Indiana economic development corporation established by  
 11 IC 5-28-3-1.

12 (c) For each city and county receiving money under subsection  
 13 (a)(2), the **treasurer auditor** of state shall determine the total amount  
 14 of money paid by the **treasurer auditor** of state to the city or county  
 15 during the state fiscal year 2002. The amount determined is the base  
 16 year revenue for the city or county. The **treasurer auditor** of state shall  
 17 certify the base year revenue determined under this subsection to the  
 18 city or county. The total amount of money distributed to a city or  
 19 county under this section during a state fiscal year may not exceed the  
 20 entity's base year revenue. For each state fiscal year, the **treasurer**  
 21 **auditor** of state shall pay that part of the riverboat wagering taxes that:

- 22 (1) exceeds a particular city's or county's base year revenue; and
- 23 (2) would otherwise be due to the city or county under this  
 24 section;

25 to the state general fund instead of to the city or county.

26 (d) Each state fiscal year the **treasurer auditor** of state shall transfer  
 27 from the tax revenue remitted to the state general fund under  
 28 subsection (a)(3) to the build Indiana fund an amount that when added  
 29 to the following may not exceed two hundred fifty million dollars  
 30 (\$250,000,000):

- 31 (1) Surplus lottery revenues under IC 4-30-17-3.
- 32 (2) Surplus revenue from the charity gaming enforcement fund  
 33 under IC 4-32.2-7-7.
- 34 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

35 The **treasurer auditor** of state shall make transfers on a monthly basis  
 36 as needed to meet the obligations of the build Indiana fund. If in any  
 37 state fiscal year insufficient money is transferred to the state general  
 38 fund under subsection (a)(3) to comply with this subsection, the  
 39 **treasurer auditor** of state shall reduce the amount transferred to the  
 40 build Indiana fund to the amount available in the state general fund  
 41 from the transfers under subsection (a)(3) for the state fiscal year.

42 (e) Before August 15 of each year, the **treasurer auditor** of state



1 shall distribute the wagering taxes set aside for revenue sharing under  
 2 subsection (a)(1) to the county treasurer of each county that does not  
 3 have a riverboat according to the ratio that the county's population  
 4 bears to the total population of the counties that do not have a  
 5 riverboat. Except as provided in subsection (h), the county auditor shall  
 6 distribute the money received by the county under this subsection as  
 7 follows:

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

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

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

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

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

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

23 (3) To fund sewer and water projects, including storm water  
 24 management projects.

25 (4) For police and fire pensions.

26 (5) To carry out any governmental purpose for which the money  
 27 is appropriated by the fiscal body of the city, town, or county.  
 28 Money used under this subdivision does not reduce the property  
 29 tax levy of the city, town, or county for a particular year or reduce  
 30 the maximum levy of the city, town, or county under  
 31 IC 6-1.1-18.5.

32 (g) This subsection does not apply to an entity receiving money  
 33 under IC 4-33-12-6(c). Before September 15 of each year, the **treasurer**  
 34 **auditor** of state shall determine the total amount of money distributed  
 35 to an entity under IC 4-33-12-6 during the preceding state fiscal year.  
 36 If the **treasurer auditor** of state determines that the total amount of  
 37 money distributed to an entity under IC 4-33-12-6 during the preceding  
 38 state fiscal year was less than the entity's base year revenue (as  
 39 determined under IC 4-33-12-6), the **treasurer auditor** of state shall  
 40 make a supplemental distribution to the entity from taxes collected  
 41 under this chapter and deposited into the state general fund. Except as  
 42 provided in subsection (i), the amount of an entity's supplemental



- 1 distribution is equal to:
- 2 (1) the entity's base year revenue (as determined under
- 3 IC 4-33-12-6); minus
- 4 (2) the sum of:
- 5 (A) the total amount of money distributed to the entity during
- 6 the preceding state fiscal year under IC 4-33-12-6; plus
- 7 (B) any amounts deducted under IC 6-3.1-20-7.
- 8 (h) This subsection applies only to a county containing a
- 9 consolidated city. The county auditor shall distribute the money
- 10 received by the county under subsection (e) as follows:
- 11 (1) To each city, other than a consolidated city, located in the
- 12 county according to the ratio that the city's population bears to the
- 13 total population of the county.
- 14 (2) To each town located in the county according to the ratio that
- 15 the town's population bears to the total population of the county.
- 16 (3) After the distributions required in subdivisions (1) and (2) are
- 17 made, the remainder shall be paid in equal amounts to the
- 18 consolidated city and the county.
- 19 (i) This subsection applies to a supplemental distribution made after
- 20 June 30, 2013. The maximum amount of money that may be distributed
- 21 under subsection (g) in a state fiscal year is forty-eight million dollars
- 22 (\$48,000,000). If the total amount determined under subsection (g)
- 23 exceeds forty-eight million dollars (\$48,000,000), the amount
- 24 distributed to an entity under subsection (g) must be reduced according
- 25 to the ratio that the amount distributed to the entity under IC 4-33-12-6
- 26 bears to the total amount distributed under IC 4-33-12-6 to all entities
- 27 receiving a supplemental distribution.
- 28 SECTION 14. IC 4-33-13-7, AS ADDED BY P.L.229-2013,
- 29 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 30 JULY 1, 2015]: Sec. 7. (a) This section applies to adjusted gross
- 31 receipts from wagering on gambling games that occurs:
- 32 (1) after the effective date of this section, as added by SEA
- 33 528-2013; but
- 34 (2) before July 1, ~~2016~~: **2018**.
- 35 (b) As used in this section, "qualified wagering" refers to wagers
- 36 made by patrons using noncashable vouchers, coupons, electronic
- 37 credits, or electronic promotions provided by the licensed owner or
- 38 operating agent.
- 39 (c) Subject to subsection (d), a licensed owner or operating agent
- 40 may at any time during a state fiscal year deduct from the adjusted
- 41 gross receipts reported by the licensed owner or operating agent
- 42 adjusted gross receipts attributable to qualified wagering. A licensed



1 owner or operating agent must take a deduction under this section on  
2 a form and in the manner prescribed by the department.

3 (d) A licensed owner or operating agent may not deduct more than  
4 the following amounts in a particular state fiscal year:

5 (1) Two million five hundred thousand dollars (\$2,500,000) in a  
6 state fiscal year ending before July 1, 2013.

7 (2) Five million dollars (\$5,000,000) in a state fiscal year  
8 beginning after June 30, 2013, and ending before July 1, ~~2016~~  
9 **2018.**

10 SECTION 15. IC 4-33-14-9 IS AMENDED TO READ AS  
11 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) This section  
12 applies to a person holding an owner's licenses for riverboats operated  
13 from a city described under IC 4-33-6-1(a)(1) through  
14 IC 4-33-6-1(a)(3).

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

18 SECTION 16. IC 4-35-2-5, AS AMENDED BY P.L.229-2013,  
19 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 JULY 1, 2015]: Sec. 5. "Gambling game" means ~~either any~~ of the  
21 following:

22 (1) A game played on a slot machine approved for wagering under  
23 this article by the commission.

24 (2) A game played on a slot machine through the use of a mobile  
25 gaming device approved under this article.

26 **(3) A table game approved by the commission under**  
27 **IC 4-35-7-19.**

28 SECTION 17. IC 4-35-2-10.5 IS ADDED TO THE INDIANA  
29 CODE AS A NEW SECTION TO READ AS FOLLOWS  
30 [EFFECTIVE JULY 1, 2015]: **Sec. 10.5. "Table game" means an**  
31 **apparatus used to gamble upon, including the following:**

32 **(1) A roulette wheel and table.**

33 **(2) A blackjack table.**

34 **(3) A craps table.**

35 **(4) A poker table.**

36 **(5) Any other game approved by the commission.**

37 SECTION 18. IC 4-35-3-1, AS ADDED BY P.L.233-2007,  
38 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 JULY 1, 2015]: Sec. 1. All shipments of **gambling devices, including**  
40 slot machines, to licensees in Indiana, the registering, recording, and  
41 labeling of which have been completed by the manufacturer or dealer  
42 in accordance with 15 U.S.C. 1171 through 15 U.S.C. 1178, are legal



1 shipments of gambling devices into Indiana.

2 SECTION 19. IC 4-35-4-2, AS AMENDED BY P.L.142-2009,  
3 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2015]: Sec. 2. (a) The commission shall do the following:

5 (1) Adopt rules under IC 4-22-2 that the commission determines  
6 are necessary to protect or enhance the following:

7 (A) The credibility and integrity of gambling games authorized  
8 under this article.

9 (B) The regulatory process provided in this article.

10 (2) Conduct all hearings concerning civil violations of this article.

11 (3) Provide for the establishment and collection of license fees  
12 imposed under this article, and deposit the license fees in the state  
13 general fund.

14 (4) Levy and collect penalties for noncriminal violations of this  
15 article and deposit the penalties in the state general fund.

16 (5) Approve the design, appearance, aesthetics, and construction  
17 of ~~slot machine~~ **gambling game** facilities authorized under this  
18 article.

19 (6) Adopt emergency rules under IC 4-22-2-37.1 if the  
20 commission determines that:

21 (A) the need for a rule is so immediate and substantial that  
22 rulemaking procedures under IC 4-22-2-13 through  
23 IC 4-22-2-36 are inadequate to address the need; and

24 (B) an emergency rule is likely to address the need.

25 (7) Adopt rules to establish and implement a voluntary exclusion  
26 program that meets the requirements of subsection (c).

27 (8) Establish the requirements for a power of attorney submitted  
28 under IC 4-35-5-9.

29 (b) The commission shall begin rulemaking procedures under  
30 IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted  
31 under subsection (a)(6) not later than thirty (30) days after the adoption  
32 of the emergency rule under subsection (a)(6).

33 (c) Rules adopted under subsection (a)(7) must provide the  
34 following:

35 (1) Except as provided by rule of the commission, a person who  
36 participates in the voluntary exclusion program agrees to refrain  
37 from entering a facility at which gambling games are conducted  
38 or another facility under the jurisdiction of the commission.

39 (2) That the name of a person participating in the program will be  
40 included on a list of persons excluded from all facilities under the  
41 jurisdiction of the commission.

42 (3) Except as provided by rule of the commission, a person who



1 participates in the voluntary exclusion program may not petition  
 2 the commission for readmittance to a facility under the  
 3 jurisdiction of the commission.

4 (4) That the list of patrons entering the voluntary exclusion  
 5 program and the personal information of the participants are  
 6 confidential and may only be disseminated by the commission to  
 7 the owner or operator of a facility under the jurisdiction of the  
 8 commission for purposes of enforcement and to other entities,  
 9 upon request by the participant and agreement by the commission.

10 (5) That an owner of a facility under the jurisdiction of the  
 11 commission shall make all reasonable attempts as determined by  
 12 the commission to cease all direct marketing efforts to a person  
 13 participating in the program.

14 (6) That an owner of a facility under the jurisdiction of the  
 15 commission may not cash the check of a person participating in  
 16 the program or extend credit to the person in any manner.  
 17 However, the voluntary exclusion program does not preclude an  
 18 owner from seeking the payment of a debt accrued by a person  
 19 before entering the program.

20 SECTION 20. IC 4-35-4-7, AS AMENDED BY P.L.229-2013,  
 21 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2015]: Sec. 7. (a) The commission shall adopt standards for  
 23 the licensing of the following:

- 24 (1) Persons regulated under this article.
- 25 (2) ~~Slot machines used in~~ Gambling games.
- 26 (3) Limited mobile gaming systems and mobile gaming devices.

27 (b) Where applicable, 68 IAC applies to racetracks conducting  
 28 gambling games under this article.

29 SECTION 21. IC 4-35-4-14, AS ADDED BY P.L.142-2009,  
 30 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 JULY 1, 2015]: Sec. 14. (a) The commission may appoint a temporary  
 32 trustee for a particular ~~slot machine gambling game~~ facility at a  
 33 racetrack if the commission makes the following findings:

- 34 (1) That circumstances requiring a trustee to assume control of  
 35 the ~~slot machine gambling game~~ facility are likely to occur.
- 36 (2) That the commission has not approved a power of attorney  
 37 identifying any other person to serve as the trustee for the ~~slot~~  
 38 ~~machine gambling game~~ facility.
- 39 (3) That there is not enough time to consider and approve a power  
 40 of attorney with respect to the ~~slot machine gambling game~~  
 41 facility before the circumstances found likely to occur under  
 42 subdivision (1) will occur.





1 (b) A person appointed under this section must be qualified to  
2 perform any duty described in this section or IC 4-35-12.

3 (c) A trustee appointed by the commission under this section shall  
4 serve until any of the following occur:

5 (1) The commission adopts a resolution under IC 4-35-12-3  
6 authorizing a trustee appointed in an approved power of attorney  
7 submitted by the permit holder to conduct gambling games under  
8 IC 4-35-12.

9 (2) The commission revokes the trustee's authority to conduct  
10 gambling games as provided by IC 4-35-12-12.

11 (3) A new permit holder assumes control of the racetrack, ~~slot~~  
12 **machine gambling game** facility, and related properties.

13 (d) A trustee appointed by the commission under this section shall  
14 exercise the trustee's powers in accordance with:

15 (1) the model power of attorney established by the executive  
16 director under section 13.2 of this chapter; and

17 (2) IC 4-35-12.

18 SECTION 22. IC 4-35-5-2, AS ADDED BY P.L.233-2007,  
19 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 JULY 1, 2015]: Sec. 2. (a) Before issuing a license to a person under  
21 this chapter, the commission shall subject the person to a background  
22 investigation similar to a background investigation required for an  
23 applicant for a riverboat owner's license under IC 4-33-6.

24 (b) Before the commission may issue a license to a person under this  
25 chapter, the person must submit to the commission for the  
26 commission's approval the physical layout of the person's proposed ~~slot~~  
27 **machines gambling games** and the facilities that will contain the  
28 proposed ~~slot machines~~: **gambling games**. The facilities that will  
29 contain the ~~slot machines~~ **gambling games** must be connected to the  
30 licensee's racetrack facilities.

31 SECTION 23. IC 4-35-6-1, AS AMENDED BY P.L.229-2013,  
32 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
33 JULY 1, 2015]: Sec. 1. A person may not:

34 (1) sell;

35 (2) lease; or

36 (3) contract to sell or lease;

37 a slot machine, **table game**, limited mobile gaming system, or mobile  
38 gaming device to a licensee unless the person holds a supplier's license  
39 originally issued under IC 4-33-7-1 or renewed under IC 4-33-7-8.

40 SECTION 24. IC 4-35-7-1, AS ADDED BY P.L.233-2007,  
41 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
42 JULY 1, 2015]: Sec. 1. Gambling games authorized under this article



1 may not be conducted anywhere other than a **slot machine gambling**  
 2 **game** facility located at a racetrack.

3 SECTION 25. IC 4-35-7-1.5, AS ADDED BY P.L.229-2013,  
 4 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5 JULY 1, 2015]: Sec. 1.5. (a) A licensee may request approval from the  
 6 commission to use a limited mobile gaming system in the gambling  
 7 operations of the licensee.

8 (b) The commission may approve the use of a limited mobile  
 9 gaming system to allow a patron to wager on gambling games while  
 10 present in the gaming area (as defined under the rules of the  
 11 commission) of a **slot machine gambling game** facility licensed under  
 12 this article. A patron may not transmit a wager using a mobile gaming  
 13 device while present in any other location.

14 SECTION 26. IC 4-35-7-2, AS ADDED BY P.L.233-2007,  
 15 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2015]: Sec. 2. (a) A person who is less than twenty-one (21)  
 17 years of age may not wager ~~on a slot machine~~ **under this article**.

18 (b) Except as provided in subsection (c), a person who is less than  
 19 twenty-one (21) years of age may not be present in the area of a  
 20 racetrack where gambling games are conducted.

21 (c) A person who is at least eighteen (18) years of age and who is an  
 22 employee of the racetrack may be present in the area of the racetrack  
 23 where gambling games are conducted. However, an employee who is  
 24 less than twenty-one (21) years of age may not perform any function  
 25 involving gambling by the patrons of the licensee's **slot machine**  
 26 **gambling game** facility.

27 SECTION 27. IC 4-35-7-4, AS ADDED BY P.L.233-2007,  
 28 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 29 JULY 1, 2015]: Sec. 4. The following may inspect a licensee's **slot**  
 30 **machine gambling game** facility at any time to determine if this article  
 31 is being violated:

32 (1) Employees of the commission.

33 (2) Officers of the state police department.

34 SECTION 28. IC 4-35-7-5, AS ADDED BY P.L.233-2007,  
 35 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2015]: Sec. 5. Employees of the commission have the right to  
 37 be present in a licensee's **slot machine gambling game** facility.

38 SECTION 29. IC 4-35-7-6, AS AMENDED BY P.L.229-2013,  
 39 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JULY 1, 2015]: Sec. 6. ~~A slot machine~~ **Gambling equipment and**  
 41 **supplies customarily used in conducting gambling games** may be  
 42 purchased or leased only from a supplier licensed under IC 4-33-7.



1 SECTION 30. IC 4-35-7-7, AS ADDED BY P.L.233-2007,  
 2 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JULY 1, 2015]: Sec. 7. Except as provided in ~~section~~ **sections 14 and**  
 4 **19** of this chapter, slot machine wagering is the only form of wagering  
 5 permitted in a licensee's slot machine facility.

6 SECTION 31. IC 4-35-7-8, AS ADDED BY P.L.233-2007,  
 7 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JULY 1, 2015]: Sec. 8. Wagers may be received only from a person  
 9 present in a licensee's ~~slot machine~~ **gambling game** facility. A person  
 10 present in a licensee's ~~slot machine~~ **gambling game** facility may not  
 11 place or attempt to place a wager on behalf of a person who is not  
 12 present in the licensee's ~~slot machine~~ **gambling game** facility.

13 SECTION 32. IC 4-35-7-9, AS AMENDED BY P.L.229-2013,  
 14 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 15 JULY 1, 2015]: Sec. 9. (a) A patron may make a ~~slot machine~~  
 16 **gambling game** wager at a racetrack only by means of:

- 17 (1) a ~~chip, a~~ token, or an electronic card, acquired from a licensee  
 18 at the licensee's racetrack; or  
 19 (2) money or other negotiable currency.

20 (b) A ~~chip, a~~ token, or an electronic card may be acquired by means  
 21 of an agreement under which a licensee extends credit to the patron.

22 (c) All winnings and payoffs from a ~~slot machine~~ **gambling game**  
 23 at a racetrack:

- 24 (1) ~~shall must~~ be made in ~~chips,~~ tokens, electronic cards, paper  
 25 tickets, or other evidence of winnings and payoffs approved by  
 26 the commission; and  
 27 (2) may not be made in money or other negotiable currency.

28 SECTION 33. IC 4-35-7-10, AS ADDED BY P.L.233-2007,  
 29 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 2015]: Sec. 10. A ~~chip, a~~ token, or an electronic card  
 31 described in section 9 of this chapter may be used by a patron while the  
 32 patron is present at the racetrack only to make a wager on a ~~slot~~  
 33 **machine gambling game** authorized under this article.

34 SECTION 34. IC 4-35-7-12, AS AMENDED BY P.L.210-2013,  
 35 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2015]: Sec. 12. (a) The Indiana horse racing commission shall  
 37 enforce the requirements of this section.

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

- 41 (1) An amount equal to fifteen percent (15%) of the adjusted  
 42 gross receipts of the slot machine wagering from the previous



1 month at each casino operated by the licensee with respect to  
 2 adjusted gross receipts received after June 30, 2013, and before  
 3 January 1, 2014.

4 (2) The percentage of the adjusted gross receipts of the slot  
 5 machine wagering from the previous month at each casino  
 6 operated by the licensee that is determined under section 16 or 17  
 7 of this chapter with respect to adjusted gross receipts received  
 8 after December 31, 2013, **and before July 1, 2015.**

9 **(3) The percentage of the adjusted gross receipts of the**  
 10 **gambling game wagering from the previous month at each**  
 11 **casino operated by the licensee that is determined under**  
 12 **section 16 or 17 of this chapter with respect to adjusted gross**  
 13 **receipts received after June 30, 2015.**

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

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

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

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

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

27 (e) A horsemen's association shall expend the amounts distributed  
 28 to the horsemen's association under subsection (d)(1) through (d)(2) for  
 29 a purpose promoting the equine industry or equine welfare or for a  
 30 benevolent purpose that the horsemen's association determines is in the  
 31 best interests of horse racing in Indiana for the breed represented by the  
 32 horsemen's association. Expenditures under this subsection are subject  
 33 to the regulatory requirements of subsection (h).

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

36 (1) Forty-six percent (46%) for thoroughbred purposes as follows:

37 (A) Sixty percent (60%) for the following purposes:

38 (i) Ninety-seven percent (97%) for thoroughbred purses.

39 (ii) Two and four-tenths percent (2.4%) to the horsemen's  
 40 association representing thoroughbred owners and trainers.

41 (iii) Six-tenths percent (0.6%) to the horsemen's association  
 42 representing thoroughbred owners and breeders.



- 1 (B) Forty percent (40%) to the breed development fund  
 2 established for thoroughbreds under IC 4-31-11-10.
- 3 (2) Forty-six percent (46%) for standardbred purposes as follows:  
 4 (A) Three hundred seventy-five thousand dollars (\$375,000)  
 5 to the state fair commission to be used by the state fair  
 6 commission to support standardbred racing and facilities at the  
 7 state fairgrounds.  
 8 (B) One hundred twenty-five thousand dollars (\$125,000) to  
 9 the state fair commission to be used by the state fair  
 10 commission to make grants to county fairs to support  
 11 standardbred racing and facilities at county fair tracks. The  
 12 state fair commission shall establish a review committee to  
 13 include the standardbred association board, the Indiana horse  
 14 racing commission, and the Indiana county fair association to  
 15 make recommendations to the state fair commission on grants  
 16 under this clause.  
 17 (C) Fifty percent (50%) of the amount remaining after the  
 18 distributions under clauses (A) and (B) for the following  
 19 purposes:  
 20 (i) Ninety-six and five-tenths percent (96.5%) for  
 21 standardbred purses.  
 22 (ii) Three and five-tenths percent (3.5%) to the horsemen's  
 23 association representing standardbred owners and trainers.  
 24 (D) Fifty percent (50%) of the amount remaining after the  
 25 distributions under clauses (A) and (B) to the breed  
 26 development fund established for standardbreds under  
 27 IC 4-31-11-10.
- 28 (3) Eight percent (8%) for quarter horse purposes as follows:  
 29 (A) Seventy percent (70%) for the following purposes:  
 30 (i) Ninety-five percent (95%) for quarter horse purses.  
 31 (ii) Five percent (5%) to the horsemen's association  
 32 representing quarter horse owners and trainers.  
 33 (B) Thirty percent (30%) to the breed development fund  
 34 established for quarter horses under IC 4-31-11-10.
- 35 Expenditures under this subsection are subject to the regulatory  
 36 requirements of subsection (h).
- 37 (g) Money distributed under subsection (d)(1) and (d)(2) shall be  
 38 allocated as follows:  
 39 (1) Forty-six percent (46%) to the horsemen's association  
 40 representing thoroughbred owners and trainers.  
 41 (2) Forty-six percent (46%) to the horsemen's association  
 42 representing standardbred owners and trainers.



- 1           (3) Eight percent (8%) to the horsemen's association representing  
2           quarter horse owners and trainers.
- 3           (h) Money distributed under this section may not be expended  
4           unless the expenditure is for a purpose authorized in this section and is  
5           either for a purpose promoting the equine industry or equine welfare or  
6           is for a benevolent purpose that is in the best interests of horse racing  
7           in Indiana or the necessary expenditures for the operations of the  
8           horsemen's association required to implement and fulfill the purposes  
9           of this section. The Indiana horse racing commission may review any  
10          expenditure of money distributed under this section to ensure that the  
11          requirements of this section are satisfied. The Indiana horse racing  
12          commission shall adopt rules concerning the review and oversight of  
13          money distributed under this section and shall adopt rules concerning  
14          the enforcement of this section. The following apply to a horsemen's  
15          association receiving a distribution of money under this section:
- 16               (1) The horsemen's association must annually file a report with  
17               the Indiana horse racing commission concerning the use of the  
18               money by the horsemen's association. The report must include  
19               information as required by the commission.
- 20               (2) The horsemen's association must register with the Indiana  
21               horse racing commission.
- 22          The state board of accounts shall annually audit the accounts, books,  
23          and records of the Indiana horse racing commission, each horsemen's  
24          association, a licensee, and any association for backside benevolence  
25          containing any information relating to the distribution of money under  
26          this section.
- 27               (i) The commission shall provide the Indiana horse racing  
28               commission with the information necessary to enforce this section.
- 29               (j) The Indiana horse racing commission shall investigate any  
30               complaint that a licensee has failed to comply with the horse racing  
31               purse requirements set forth in this section. If, after notice and a  
32               hearing, the Indiana horse racing commission finds that a licensee has  
33               failed to comply with the purse requirements set forth in this section,  
34               the Indiana horse racing commission may:
- 35                       (1) issue a warning to the licensee;  
36                       (2) impose a civil penalty that may not exceed one million dollars  
37                       (\$1,000,000); or  
38                       (3) suspend a meeting permit issued under IC 4-31-5 to conduct  
39                       a pari-mutuel wagering horse racing meeting in Indiana.
- 40               (k) A civil penalty collected under this section must be deposited in  
41               the state general fund.
- 42          SECTION 35. IC 4-35-7-16, AS ADDED BY P.L.210-2013,



1 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2015]: Sec. 16. (a) The amount of ~~slot machine~~ **gambling**  
3 **game** revenue that must be distributed under section 12(b)(2) of this  
4 chapter must be determined in a distribution agreement entered into by  
5 negotiation committees representing all licensees and the horsemen's  
6 associations having contracts with licensees that have been approved  
7 by the Indiana horse racing commission.

8 (b) Each horsemen's association shall appoint a representative to a  
9 negotiation committee to negotiate the distribution agreement required  
10 by subsection (a). If there ~~are~~ **is** an even number of horsemen's  
11 associations appointing representatives to the committee, the members  
12 appointed by each horsemen's association shall jointly appoint an  
13 at-large member of the negotiation committee to represent the interests  
14 of all of the horsemen's associations. The at-large member is entitled  
15 to the same rights and privileges of the members appointed by the  
16 horsemen's associations.

17 (c) Each licensee shall appoint a representative to a negotiation  
18 committee to negotiate the distribution agreement required by  
19 subsection (a). If there ~~are~~ **is** an even number of licensees, the members  
20 appointed by each licensee shall jointly appoint an at-large member of  
21 the negotiation committee to represent the interests of all of the  
22 licensees. The at-large member is entitled to the same rights and  
23 privileges of the members appointed by the licensees.

24 (d) If a majority of the members of each negotiation committee ~~are~~  
25 **is** present, the negotiation committees may negotiate and enter into a  
26 distribution agreement binding all horsemen's associations and all  
27 licensees as required by subsection (a).

28 (e) The initial distribution agreement entered into by the negotiation  
29 committees:

- 30 (1) must be in writing;
- 31 (2) must be submitted to the Indiana horse racing commission
- 32 before October 1, 2013;
- 33 (3) must be approved by the Indiana horse racing commission
- 34 before January 1, 2014; and
- 35 (4) may contain any terms determined to be necessary and
- 36 appropriate by the negotiation committees, subject to subsection
- 37 (f) and section 12 of this chapter.

38 (f) A distribution agreement must provide that at least ten percent  
39 (10%) and not more than twelve percent (12%) of a licensee's adjusted  
40 gross receipts must be distributed under section 12(b)(2) of this  
41 chapter. A distribution agreement applies to adjusted gross receipts  
42 received by the licensee after December 31 of the calendar year in



1 which the distribution agreement is approved by the Indiana horse  
2 racing commission.

3 (g) A distribution agreement may expire on December 31 of a  
4 particular calendar year if a subsequent distribution agreement will take  
5 effect on January 1 of the following calendar year. A subsequent  
6 distribution agreement:

7 (1) is subject to the approval of the Indiana horse racing  
8 commission; and

9 (2) must be submitted to the Indiana horse racing commission  
10 before October 1 of the calendar year preceding the calendar year  
11 in which the distribution agreement will take effect.

12 (h) The Indiana horse racing commission shall annually report to the  
13 budget committee on the effect of each distribution agreement on the  
14 Indiana horse racing industry before January 1 of the following  
15 calendar year.

16 SECTION 36. IC 4-35-7-19 IS ADDED TO THE INDIANA CODE  
17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
18 1, 2015]: **Sec. 19. (a) For purposes of this section, "electronic table  
19 games" means:**

20 (1) baccarat;

21 (2) blackjack;

22 (3) poker;

23 (4) craps; or

24 (5) roulette;

25 **that a person plays at a table with multiple positions and the game**  
26 **operates on a random number generator without human**  
27 **assistance.**

28 (b) A licensee may submit a plan to the commission for  
29 conducting wagering on table games at the licensee's gambling  
30 game facility. A licensee must submit a table game plan before the  
31 date designated by the commission. Upon receipt of an appropriate  
32 plan, the commission shall authorize wagering on table games at  
33 the licensee's gambling game facility. Except as provided in  
34 subsection (b), a licensee:

35 (1) may not install more table game positions than the number  
36 of positions proposed in the table game plan submitted to the  
37 commission;

38 (2) must remove one (1) electronic table game from its  
39 gambling game facility for each table game the licensee  
40 installs; and

41 (3) may have a number of table games equal only to fifty  
42 percent (50%) of the electronic table games the licensee had





1           **in operation on February 1, 2015.**

2           **(c) After five (5) years of conducting table games under a plan**  
 3 **approved under subsection (a), a licensee may apply to the**  
 4 **commission for the approval to install additional table game**  
 5 **positions.**

6           SECTION 37. IC 4-35-8-1, AS AMENDED BY P.L.210-2013,  
 7 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JULY 1, 2015]: Sec. 1. (a) A graduated slot machine wagering tax is  
 9 imposed as follows on ninety-nine percent (99%) of the adjusted gross  
 10 receipts received after June 30, 2012, and before July 1, 2013, and on  
 11 ninety-one and five-tenths percent (91.5%) of the adjusted gross  
 12 receipts received after June 30, 2013, from wagering on **gambling**  
 13 **games slot machines** authorized by this article:

14           (1) Twenty-five percent (25%) of the first one hundred million  
 15 dollars (\$100,000,000) of adjusted gross receipts received during  
 16 the period beginning July 1 of each year and ending June 30 of  
 17 the following year.

18           (2) Thirty percent (30%) of the adjusted gross receipts in excess  
 19 of one hundred million dollars (\$100,000,000) but not exceeding  
 20 two hundred million dollars (\$200,000,000) received during the  
 21 period beginning July 1 of each year and ending June 30 of the  
 22 following year.

23           (3) Thirty-five percent (35%) of the adjusted gross receipts in  
 24 excess of two hundred million dollars (\$200,000,000) received  
 25 during the period beginning July 1 of each year and ending June  
 26 30 of the following year.

27           (b) A licensee shall remit the tax imposed by this section to the  
 28 department before the close of the business day following the day the  
 29 wagers are made.

30           (c) The department may require payment under this section to be  
 31 made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

32           (d) If the department requires taxes to be remitted under this chapter  
 33 through electronic funds transfer, the department may allow the  
 34 licensee to file a monthly report to reconcile the amounts remitted to  
 35 the department.

36           (e) The payment of the tax under this section must be on a form  
 37 prescribed by the department.

38           SECTION 38. IC 4-35-8-5, AS ADDED BY P.L.229-2013,  
 39 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JULY 1, 2015]: Sec. 5. (a) This section applies to adjusted gross  
 41 receipts from wagering on gambling games that occurs:

42           (1) after the effective date of this section, as added by SEA



- 1           528-2013; but  
 2           (2) before July 1, ~~2016~~ **2018**.
- 3           (b) As used in this section, "qualified wagering" refers to wagers  
 4 made by patrons using noncashable vouchers, coupons, electronic  
 5 credits, or electronic promotions provided by the licensee.
- 6           (c) Subject to subsection (d), a licensee may at any time during the  
 7 state fiscal year deduct from the adjusted gross receipts reported by the  
 8 licensee the adjusted gross receipts attributable to qualified wagering.  
 9 A licensee must take a deduction under this section on a form and in  
 10 the manner prescribed by the department.
- 11          (d) A licensee may not deduct more than the following amounts in  
 12 a particular state fiscal year:
- 13           (1) Two million five hundred thousand dollars (\$2,500,000) in a  
 14 state fiscal year ending before July 1, 2013.
- 15           (2) Five million dollars (\$5,000,000) in a state fiscal year  
 16 beginning after June 30, 2013, and ending before July 1, ~~2016~~  
 17 **2018**.
- 18          (e) Deductions under this section also apply to a licensee's adjusted  
 19 gross receipts for purposes of the following statutes:
- 20           (1) IC 4-35-7-12.  
 21           (2) IC 4-35-8.5.  
 22           (3) IC 4-35-8.9.
- 23          SECTION 39. IC 4-35-8.1 IS ADDED TO THE INDIANA CODE  
 24 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 25 JULY 1, 2015]:
- 26          **Chapter 8.1. Taxation of Table Game Wagering**
- 27          **Sec. 1. A graduated tax is imposed on ninety-one and one-half**  
 28 **percent (91.5%) of the adjusted gross receipts received from table**  
 29 **games authorized under this article as follows:**
- 30           **(1) Fifteen percent (15%) of the first twenty-five million**  
 31 **dollars (\$25,000,000) of adjusted gross receipts received**  
 32 **during the period beginning July 1 of each year and ending**  
 33 **June 30 of the following year.**
- 34           **(2) Twenty percent (20%) of the adjusted gross receipts**  
 35 **exceeding twenty-five million dollars (\$25,000,000) but not**  
 36 **exceeding fifty million dollars (\$50,000,000) received during**  
 37 **the period beginning July 1 of each year and ending June 30**  
 38 **of the following year.**
- 39           **(3) Twenty-five percent (25%) of the adjusted gross receipts**  
 40 **exceeding fifty million dollars (\$50,000,000) but not exceeding**  
 41 **seventy-five million dollars (\$75,000,000) received during the**  
 42 **period beginning July 1 of each year and ending June 30 of**



- 1 the following year.
- 2 (4) Thirty percent (30%) of the adjusted gross receipts
- 3 exceeding seventy-five million dollars (\$75,000,000) but not
- 4 exceeding one hundred fifty million dollars (\$150,000,000)
- 5 received during the period beginning July 1 of each year and
- 6 ending June 30 of the following year.
- 7 (5) Thirty-five percent (35%) of the adjusted gross receipts
- 8 exceeding one hundred fifty million dollars (\$150,000,000) but
- 9 not exceeding six hundred million dollars (\$600,000,000)
- 10 received during the period beginning July 1 of each year and
- 11 ending June 30 of the following year.
- 12 (6) Forty percent (40%) of the adjusted gross receipts
- 13 exceeding six hundred million dollars (\$600,000,000) received
- 14 during the period beginning July 1 of each year and ending
- 15 June 30 of the following year.
- 16 **Sec. 2. A licensee shall remit the tax imposed by this chapter to**
- 17 **the department before the close of the business day following the**
- 18 **day the wagers are made.**
- 19 **Sec. 3. (a) The department may require payment under this**
- 20 **section to be made by electronic funds transfer (as defined in**
- 21 **IC 4-8.1-2-7(f)).**
- 22 **(b) If the department requires taxes to be remitted under this**
- 23 **chapter through electronic funds transfer, the department may**
- 24 **allow the licensee to file a monthly report to reconcile the amounts**
- 25 **remitted to the department.**
- 26 **Sec. 4. A licensee shall pay the tax imposed by this section on a**
- 27 **form prescribed by the department.**
- 28 **Sec. 5. The department shall deposit tax revenue collected under**
- 29 **section 1 of this chapter in the state general fund.**
- 30 SECTION 40. IC 4-35-8.5-1, AS ADDED BY P.L.233-2007,
- 31 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 32 JULY 1, 2015]: Sec. 1. (a) Before the fifteenth day of each month, a
- 33 licensee that offers ~~slot machine~~ **gambling game** wagering under this
- 34 article shall pay to the commission a county ~~slot machine~~ **gambling**
- 35 **game** wagering fee equal to three percent (3%) of the adjusted gross
- 36 receipts received from ~~slot machine~~ **gambling game** wagering during
- 37 the previous month at the licensee's racetrack. However, a licensee is
- 38 not required to pay more than eight million dollars (\$8,000,000) of
- 39 county ~~slot machine~~ **gambling game** wagering fees under this section
- 40 in any state fiscal year.
- 41 (b) The commission shall deposit the county ~~slot machine~~ **gambling**
- 42 **game** wagering fee received by the commission into a separate account



1 within the state general fund.

2 SECTION 41. IC 4-35-8.5-2, AS ADDED BY P.L.233-2007,  
3 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2015]: Sec. 2. Before the fifteenth day of each month, the  
5 treasurer of state shall distribute any county **slot machine gambling**  
6 **game** wagering fees received from a licensee during the previous  
7 month to the county auditor of the county in which the licensee's  
8 racetrack is located.

9 SECTION 42. IC 4-35-8.5-3, AS ADDED BY P.L.233-2007,  
10 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
11 JULY 1, 2015]: Sec. 3. The auditor of each county receiving a  
12 distribution of county **slot machine gambling game** wagering fees  
13 under section 2 of this chapter shall distribute the county **slot machine**  
14 **gambling game** wagering fees as 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 by subdivisions (1) and (2) are  
20 made, the remainder shall be retained by the county.

21 SECTION 43. IC 4-35-8.7-2, AS AMENDED BY P.L.142-2009,  
22 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
23 JULY 1, 2015]: Sec. 2. A licensee that offers **slot machine** wagering **on**  
24 **gambling games** under this article shall annually pay to the Indiana  
25 horse racing commission a gaming integrity fee equal to two hundred  
26 fifty thousand dollars (\$250,000) for each racetrack at which the  
27 licensee offers **slot machine** wagering **on gambling games**. The  
28 Indiana horse racing commission shall deposit gaming integrity fees in  
29 the fund.

30 SECTION 44. IC 4-35-8.8-3, AS ADDED BY P.L.233-2007,  
31 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32 JULY 1, 2015]: Sec. 3. The division may use problem gambling fees  
33 paid to the division under this chapter only for the prevention and  
34 treatment of compulsive gambling that is related to **slot machine**  
35 **wagering and other** gambling allowed under **this article and** IC 4-33.

36 SECTION 45. IC 4-35-9-2, AS ADDED BY P.L.233-2007,  
37 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
38 JULY 1, 2015]: Sec. 2. A person who knowingly or intentionally aids,  
39 induces, or causes a person who is:

40 (1) less than twenty-one (21) years of age; and

41 (2) not an employee of a licensee;

42 to enter or attempt to enter the licensee's **slot machine gambling game**



- 1 facility commits a Class A misdemeanor.
- 2 SECTION 46. IC 4-35-9-3.5, AS ADDED BY P.L.158-2013,  
3 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2015]: Sec. 3.5. (a) A person who:  
5 (1) is not an employee of a licensee;  
6 (2) is less than twenty-one (21) years of age; and  
7 (3) enters the licensee's ~~slot machine~~ **gambling game** facility;  
8 commits a Class C infraction.
- 9 (b) A person who:  
10 (1) is not an employee of a licensee;  
11 (2) is less than twenty-one (21) years of age; and  
12 (3) attempts to enter the licensee's ~~slot machine~~ **gambling game**  
13 facility;  
14 commits a Class C infraction.
- 15 SECTION 47. IC 4-35-9-4, AS ADDED BY P.L.233-2007,  
16 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 JULY 1, 2015]: Sec. 4. A person who knowingly or intentionally:  
18 (1) makes a false statement on an application submitted under this  
19 article;  
20 (2) conducts a gambling game in a manner other than the manner  
21 required under this article; or  
22 (3) wagers or accepts a wager at a location other than a licensee's  
23 ~~slot machine~~ **gambling game** facility;  
24 commits a Class A misdemeanor.
- 25 SECTION 48. IC 4-35-11-1, AS ADDED BY P.L.233-2007,  
26 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
27 JULY 1, 2015]: Sec. 1. This chapter applies to persons holding a permit  
28 to operate a racetrack under IC 4-31-5 at which ~~slot machines~~  
29 **gambling games** are licensed under this article.
- 30 SECTION 49. IC 4-35-11-2, AS ADDED BY P.L.233-2007,  
31 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32 JULY 1, 2015]: Sec. 2. The general assembly declares that it is  
33 essential for minority and women's business enterprises to have the  
34 opportunity for full participation in the racetrack industry if minority  
35 and women's business enterprises are to obtain social and economic  
36 parity and if the economies of the cities, towns, and counties in which  
37 ~~slot machines~~ **gambling games** are operated at racetracks are to be  
38 stimulated as contemplated by this article.
- 39 SECTION 50. IC 4-35-12-9, AS ADDED BY P.L.142-2009,  
40 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
41 JULY 1, 2015]: Sec. 9. A trustee acting under the authority of this  
42 chapter may conduct the operations of any hotel, restaurant, golf



1 course, or other amenity related to the racetrack's ~~slot machine~~  
 2 **gambling game** facility.

3 SECTION 51. IC 4-36-1-3, AS ADDED BY P.L.95-2008,  
 4 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5 JULY 1, 2015]: Sec. 3. This article does not apply to the following:

- 6 (1) The Indiana state lottery established under IC 4-30.
- 7 (2) Pari-mutuel horse racing under IC 4-31.
- 8 (3) Charity gaming under IC 4-32.2.
- 9 (4) Riverboat gambling under IC 4-33.
- 10 (5) ~~Slot machine~~ **Wagering on gambling games** under IC 4-35.

11 SECTION 52. IC 6-3.1-35 IS ADDED TO THE INDIANA CODE  
 12 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 13 JANUARY 1, 2016]:

14 **Chapter 35. Indiana Gaming Investment Tax Credit**

15 **Sec. 1. As used in this chapter, "gaming facility" means the**  
 16 **following:**

- 17 (1) A riverboat.
- 18 (2) A facility at which gambling games may be conducted at  
 19 a racetrack under IC 4-35-7.

20 **Sec. 2. As used in this chapter, "licensed owner" has the**  
 21 **meaning set forth in IC 4-33-2-13.**

22 **Sec. 3. As used in this chapter, "operating agent" has the**  
 23 **meaning set forth in IC 4-33-2-14.5.**

24 **Sec. 4. As used in this chapter, "pass through entity" means:**

- 25 (1) a corporation that is exempt from the adjusted gross  
 26 income tax under IC 6-3-2-2.8(2);
- 27 (2) a partnership;
- 28 (3) a limited liability company; or
- 29 (4) a limited liability partnership.

30 **Sec. 5. As used in this chapter, "permit holder" means a permit**  
 31 **holder under IC 4-35 that has been issued a license under IC 4-35-5**  
 32 **to conduct gambling games at the permit holder's racetrack.**

33 **Sec. 6. As used in this chapter, "qualified capital investment"**  
 34 **means any capital investment that:**

- 35 (1) is made by a licensed owner, an operating agent, or a  
 36 permit holder;
- 37 (2) exceeds two million dollars (\$2,000,000);
- 38 (3) subject to section 12(d) of this chapter, is made for:
  - 39 (A) onsite infrastructure improvements for the property on  
 40 which a gaming facility is located;
  - 41 (B) construction of a gaming facility or other buildings or  
 42 improvements on the property on which a gaming facility



- 1 is located;
- 2 (C) rehabilitation, alteration, or major repair of a gaming
- 3 facility or of existing buildings or improvements on the
- 4 property on which a gaming facility is located; or
- 5 (D) installation of fixtures and equipment (other than
- 6 fixtures or equipment directly related to gaming) in a
- 7 gaming facility or in another building or improvements on
- 8 the property on which a gaming facility is located; and
- 9 (4) is made after December 31, 2015, and before January 1,
- 10 2021; and
- 11 (5) is approved by the Indiana economic development
- 12 corporation under section 12 of this chapter as a qualified
- 13 capital investment.
- 14 Sec. 7. As used in this chapter, "riverboat" has the meaning set
- 15 forth in IC 4-33-2-17.
- 16 Sec. 8. As used in this chapter, "state income tax liability"
- 17 means a taxpayer's total tax liability that is incurred under
- 18 IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax), as
- 19 computed after the application of the credits that under
- 20 IC 6-3.1-1-2 are to be applied before the credit provided by this
- 21 chapter.
- 22 Sec. 9. (a) A taxpayer that:
- 23 (1) is a licensed owner, an operating agent, or a permit holder;
- 24 and
- 25 (2) makes a qualified capital investment during a taxable
- 26 year;
- 27 is entitled to a credit against the taxpayer's state income tax
- 28 liability for that taxable year.
- 29 (b) The amount of the credit to which a taxpayer is entitled is
- 30 equal to ten percent (10%) multiplied by the qualified capital
- 31 investment made by the taxpayer during the taxable year.
- 32 Sec. 10. (a) If the amount determined under section 9(b) of this
- 33 chapter for a taxpayer in a taxable year exceeds the taxpayer's
- 34 state income tax liability for that taxable year, the taxpayer may
- 35 carry the excess over to the following nine (9) taxable years. The
- 36 amount of the credit carryover from a taxable year shall be
- 37 reduced to the extent that the carryover is used by the taxpayer to
- 38 obtain a credit under this chapter for any subsequent taxable year.
- 39 (b) A taxpayer is not entitled to a carryback or refund of any
- 40 unused credit.
- 41 (c) A taxpayer is not entitled to a credit under this chapter for
- 42 a qualified capital investment if the taxpayer claims any other state



1 tax credit for that same qualified capital investment.

2 Sec. 11. The total amount of tax credits awarded under this  
3 chapter may not exceed forty million dollars (\$40,000,000) in a  
4 state fiscal year.

5 Sec. 12. (a) To be entitled to a credit under this chapter, a  
6 taxpayer must request the Indiana economic development  
7 corporation to determine whether costs incurred are qualified  
8 capital investments as required by this chapter.

9 (b) The request under subsection (a) must be made before the  
10 costs are incurred.

11 (c) The Indiana economic development corporation must find  
12 that costs meet the requirements of qualified capital investments  
13 under this chapter, as determined under the standards adopted by  
14 the Indiana economic development corporation.

15 (d) This subsection applies to costs incurred for a building or  
16 improvement that is not a gaming facility. The costs incurred for:

17 (1) the construction of the buildings or improvements on the  
18 property on which a gaming facility is located;

19 (2) the rehabilitation, alteration, or major repair of an  
20 existing building or improvement on the property on which a  
21 gaming facility is located; or

22 (3) the installation of fixtures and equipment in a building or  
23 improvements on the property on which a gaming facility is  
24 located;

25 are not eligible for the tax credit under this chapter unless the  
26 Indiana economic development corporation determines that the  
27 building or improvement is directly related to hospitality and that  
28 the building or improvement will enhance the experience of the  
29 patrons of the gaming facility.

30 (e) The costs incurred for fixtures or equipment directly related  
31 to gaming are not eligible for the tax credit under this chapter.

32 Sec. 13. If a pass through entity is entitled to a credit under this  
33 chapter but does not have state income tax liability against which  
34 the tax credit may be applied, an individual who is a shareholder,  
35 partner, beneficiary, or member of the pass through entity is  
36 entitled to a tax credit equal to:

37 (1) the tax credit determined for the pass through entity for  
38 the taxable year; multiplied by

39 (2) the percentage of the pass through entity's distributive  
40 income to which the shareholder, partner, beneficiary, or  
41 member is entitled.

42 The credit provided under this section is in addition to a tax credit





1 to which a shareholder, partner, beneficiary, or member of a pass  
 2 through entity is entitled. However, a pass through entity and an  
 3 individual who is a shareholder, partner, beneficiary, or member  
 4 of a pass through entity may not claim more than one (1) credit for  
 5 the same qualified capital investment.

6 Sec. 14. (a) A taxpayer may assign any part of the tax credit to  
 7 which the taxpayer is entitled under this chapter if:

8 (1) the person to whom the tax credit is assigned is  
 9 constructing a new amenity that:

10 (A) is directly related to the gaming facility; and

11 (B) will enhance the experience of the patrons of the  
 12 gaming facility; and

13 (2) the Indiana economic development corporation approves  
 14 the assignment of the tax credit.

15 (b) A tax credit that is assigned under this section remains  
 16 subject to this chapter.

17 (c) An assignment of a tax credit under this section must be in  
 18 writing, and both the taxpayer and the person to whom the tax  
 19 credit is assigned must report the assignment on their state tax  
 20 return for the year in which the assignment is made, in the manner  
 21 prescribed by the department.

22 Sec. 15. To receive the credit provided by this chapter, a  
 23 taxpayer must claim the credit on the taxpayer's state income tax  
 24 return or returns in the manner prescribed by the department. The  
 25 taxpayer shall submit to the department the certification of credit  
 26 by the Indiana economic development corporation, proof of  
 27 payment of the qualified capital investment, and all other  
 28 information that the department determines is necessary for the  
 29 calculation of the credit provided by this chapter and for the  
 30 determination of whether an investment cost is a qualified capital  
 31 investment for purposes of this chapter.

32 SECTION 53. IC 6-8.1-1-1, AS AMENDED BY P.L.220-2014,  
 33 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2015]: Sec. 1. "Listed taxes" or "taxes" includes only the  
 35 pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat  
 36 admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13);  
 37 the slot machine wagering tax (IC 4-35-8); **the table game wagering**  
 38 **tax (IC 4-35-8.1)**; the type II gambling game excise tax (IC 4-36-9);  
 39 the gross income tax (IC 6-2.1) (repealed); the utility receipts and  
 40 utility services use taxes (IC 6-2.3); the state gross retail and use taxes  
 41 (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net  
 42 income tax (IC 6-3-8) (repealed); the county adjusted gross income tax



1 (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county  
 2 economic development income tax (IC 6-3.5-7); the auto rental excise  
 3 tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax  
 4 (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax  
 5 (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement  
 6 under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the aviation  
 7 fuel excise tax (IC 6-6-13); the commercial vehicle excise tax  
 8 (IC 6-6-5.5); the excise tax imposed on recreational vehicles and truck  
 9 campers (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6)  
 10 (repealed); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2);  
 11 the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the  
 12 hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5);  
 13 the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes  
 14 (IC 6-9); the various food and beverage taxes (IC 6-9); the county  
 15 admissions tax (IC 6-9-13 and IC 6-9-28); the regional transportation  
 16 improvement income tax (IC 8-24-17); the oil inspection fee  
 17 (IC 16-44-2); the emergency and hazardous chemical inventory form  
 18 fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3  
 19 and IC 9-30); the fees and penalties assessed for overweight vehicles  
 20 (IC 9-20-4 and IC 9-30); and any other tax or fee that the department  
 21 is required to collect or administer.

22 SECTION 54. IC 7.1-3-17.5-7, AS ADDED BY P.L.15-2011,  
 23 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JULY 1, 2015]: Sec. 7. (a) As used in this section, "gaming facility"  
 25 refers to one (1) or more of the following:

- 26 (1) A riverboat (as defined in IC 4-33-2-17).  
 27 (2) A ~~slot machine~~ **gambling game** facility licensed under  
 28 IC 4-35.  
 29 (3) Any hotel, golf course, or other facility that is:  
 30 (A) owned by a person holding a gaming site permit; and  
 31 (B) related to the operation of the holder's riverboat or ~~slot~~  
 32 **machine gambling game** facility.

33 (b) As used in this section, "server" means an individual who serves  
 34 alcoholic beverages at a gaming facility.

35 (c) Except as provided in subsection (d), a server is not required to  
 36 be employed by a person holding a gaming site permit if the server  
 37 satisfies the following requirements:

- 38 (1) The server is employed by a person who:  
 39 (A) leases space at a gaming facility for the purpose of  
 40 providing food or beverages to the patrons of the gaming  
 41 facility; or  
 42 (B) is a caterer or other person contracted to provide food or



- 1           beverages at an event held at the gaming facility.
- 2           (2) The server holds a valid employee permit issued under
- 3           IC 7.1-3-18-9.
- 4           (d) A server who serves alcoholic beverages in a gaming area (as
- 5           defined in the rules adopted by the Indiana gaming commission) must
- 6           be employed by a person holding a gaming site permit.
- 7           SECTION 55. IC 7.1-3-17.7-1, AS AMENDED BY P.L.233-2007,
- 8           SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 9           JULY 1, 2015]: Sec. 1. (a) Except as provided in subsection (c), the
- 10          commission may issue a horse track permit to a person who has been
- 11          issued a recognized meeting permit under IC 4-31-5 to sell alcoholic
- 12          beverages for on-premises consumption only. The permit may be a
- 13          single permit even though more than one (1) area constitutes the
- 14          licensed premises of the permit.
- 15          (b) The commission may issue a satellite facility permit to a person
- 16          who has been issued a satellite facility license under IC 4-31-5.5 to sell
- 17          alcoholic beverages for on-premises consumption only.
- 18          (c) This chapter does not apply to a ~~slot machine~~ **gambling game**
- 19          facility licensed under IC 4-35.
- 20          SECTION 56. [EFFECTIVE JANUARY 1, 2016] **(a) IC 6-3.1-35,**
- 21          **as added by this act, applies to taxable years beginning after**
- 22          **December 31, 2015.**
- 23          **(b) This SECTION expires July 1, 2017.**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1540, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 5 through 8.

Page 5, line 38, delete "July 1, 2014," and insert "**February 1, 2015,**".

Page 25, between lines 38 and 39, begin a new paragraph and insert: "SECTION 35. 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, **and before July 1, 2015.**

**(3) The percentage of the adjusted gross receipts of the gambling game 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 June 30, 2015.**

(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 percent (60%) 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 percent (40%) 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.

SECTION 36. IC 4-35-7-16, AS ADDED BY P.L.210-2013, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 16. (a) The amount of ~~slot machine~~ **gambling game** revenue that must be distributed under section 12(b)(2) of this chapter must be determined in a distribution agreement entered into by negotiation committees representing all licensees and the horsemen's associations having contracts with licensees that have been approved by the Indiana horse racing commission.

(b) Each horsemen's association shall appoint a representative to a negotiation committee to negotiate the distribution agreement required by subsection (a). If there ~~are~~ **is** an even number of horsemen's associations appointing representatives to the committee, the members appointed by each horsemen's association shall jointly appoint an at-large member of the negotiation committee to represent the interests of all of the horsemen's associations. The at-large member is entitled to the same rights and privileges of the members appointed by the horsemen's associations.

(c) Each licensee shall appoint a representative to a negotiation committee to negotiate the distribution agreement required by subsection (a). If there ~~are~~ **is** an even number of licensees, the members appointed by each licensee shall jointly appoint an at-large member of the negotiation committee to represent the interests of all of the licensees. The at-large member is entitled to the same rights and privileges of the members appointed by the licensees.



(d) If a majority of the members of each negotiation committee ~~are~~ **is** present, the negotiation committees may negotiate and enter into a distribution agreement binding all horsemen's associations and all licensees as required by subsection (a).

(e) The initial distribution agreement entered into by the negotiation committees:

- (1) must be in writing;
- (2) must be submitted to the Indiana horse racing commission before October 1, 2013;
- (3) must be approved by the Indiana horse racing commission before January 1, 2014; and
- (4) may contain any terms determined to be necessary and appropriate by the negotiation committees, subject to subsection (f) and section 12 of this chapter.

(f) A distribution agreement must provide that at least ten percent (10%) and not more than twelve percent (12%) of a licensee's adjusted gross receipts must be distributed under section 12(b)(2) of this chapter. A distribution agreement applies to adjusted gross receipts received by the licensee after December 31 of the calendar year in which the distribution agreement is approved by the Indiana horse racing commission.

(g) A distribution agreement may expire on December 31 of a particular calendar year if a subsequent distribution agreement will take effect on January 1 of the following calendar year. A subsequent distribution agreement:

- (1) is subject to the approval of the Indiana horse racing commission; and
- (2) must be submitted to the Indiana horse racing commission before October 1 of the calendar year preceding the calendar year in which the distribution agreement will take effect.

(h) The Indiana horse racing commission shall annually report to the budget committee on the effect of each distribution agreement on the Indiana horse racing industry before January 1 of the following calendar year."

Page 25, delete lines 39 through 42, begin a new paragraph and insert:

"SECTION 35.IC 4-35-7-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 19. (a) For purposes of this section, "electronic table games" means:**

- (1) baccarat;**
- (2) blackjack;**





- (3) poker;
- (4) craps; or
- (5) roulette;

that a person plays at a table with multiple positions and the game operates on a random number generator without human assistance.

(b) A licensee may submit a plan to the commission for conducting wagering on table games at the licensee's gambling game facility. A licensee must submit a table game plan before the date designated by the commission. Upon receipt of an appropriate plan, the commission shall authorize wagering on table games at the licensee's gambling game facility. Except as provided in subsection (b), a licensee:

- (1) may not install more table game positions than the number of positions proposed in the table game plan submitted to the commission;
- (2) must remove one (1) electronic table game from its gambling game facility for each table game the licensee installs; and
- (3) may have a number of table games equal only to fifty percent (50%) of the electronic table games the licensee had in operation on February 1, 2015.

(c) After five (5) years of conducting table games under a plan approved under subsection (a), a licensee may apply to the commission for the approval to install additional table game positions."

Page 26, delete lines 1 through 11.

Page 27, line 33, after "on" insert "**ninety-one and one-half percent (91.5%) of**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1540 as introduced.)

DERMODY

Committee Vote: yeas 10, nays 2.

