

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 ENROLLED ACT No. 1540

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AN ACT to amend the Indiana Code concerning gaming and to make an appropriation.

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

SECTION 1. IC 4-29 IS ADDED TO THE INDIANA CODE AS A **NEW ARTICLE TO READ AS FOLLOWS** [EFFECTIVE UPON PASSAGE]:

### **ARTICLE 29. TRIBAL GAMING**

#### **Chapter 1. Applicability**

**Sec. 1. This article does not apply to the following:**

- (1) A permit holder licensed to conduct a pari-mutuel wagering horse racing meeting under IC 4-31.**
- (2) A qualified organization licensed to conduct charity gaming events under IC 4-32.2.**
- (3) A licensed owner or operating agent operating a riverboat under IC 4-33.**
- (4) A permit holder licensed to conduct gambling games under IC 4-35.**
- (5) A person authorized to conduct type II gaming under IC 4-36.**

#### **Chapter 2. Definitions**

**Sec. 1. The definitions in this chapter apply throughout this article.**

**Sec. 2. "Class III gaming" has the meaning set forth in 25 U.S.C. 2703(8).**

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**Sec. 3. "Indian lands" has the meaning set forth in 25 U.S.C. 2703(4).**

**Sec. 4. "Indian tribe" has the meaning set forth in 25 U.S.C. 2703(5).**

**Sec. 5. "Tribal-state compact" means a compact under 25 U.S.C. 2701 et seq. between an Indian tribe and the state to allow gaming on Indian lands located in Indiana.**

### **Chapter 3. Tribal-State Compacts**

**Sec. 1. The state may not enter into, amend, or modify a tribal-state compact without the ratification of the general assembly.**

**Sec. 2. A tribal-state compact entered into, amended, or modified without the ratification of the general assembly is void.**

**Sec. 3. The governor is responsible for negotiating and executing a tribal-state compact on behalf of the state with an Indian tribe located within Indiana for the purpose of authorizing Class III gaming on Indian lands located within Indiana under 25 U.S.C. 2701 et seq. The governor's responsibilities under this section include the negotiation and execution of any amendment or modification to a tribal-state compact. However, the governor may not negotiate compact terms with an Indian tribe until the United States government formally takes land into trust as Indian lands for the Indian tribe.**

**Sec. 4. (a) A tribal-state compact negotiated under this chapter must include terms concerning the following:**

- (1) The management of the Indian tribe's gaming operation.**
- (2) Revenue sharing with the state and local units of government.**
- (3) Infrastructure and site improvements.**
- (4) The administration and regulation of gaming.**
- (5) The types of games operated by the Indian tribe.**

**(b) This section does not preclude additional items and terms from being negotiated and agreed to in any tribal-state compact.**

**Sec. 5. Following the completion of negotiations and the execution of a tribal-state compact, the governor shall submit a copy of the executed tribal-state compact to the president pro tempore of the senate and the speaker of the house of representatives for ratification. To ratify the tribal-state compact, the general assembly must enact a bill codifying the tribal-state compact in the manner required by the Constitution of the State of Indiana.**

**Sec. 6. Upon receipt of an act ratifying a tribal-state compact,**



the governor shall cause the ratified tribal-state compact to be deposited with the secretary of state under IC 4-3-1-1.

**Sec. 7. The secretary of state shall forward a copy of the executed tribal-state compact and the act of ratification to the United States Secretary of the Interior for federal review and approval as required by 25 U.S.C. 2710(d)(8).**

**Sec. 8. If the governor agrees to an amendment to or a modification of a tribal-state compact, the governor shall submit the amendment or modification to the general assembly for ratification in the manner required by section 5 of this chapter.**

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

SECTION 3. IC 4-31-7-1, AS AMENDED BY HEA 1270-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) A person holding a permit to conduct a horse racing meeting or a license to operate a satellite facility may provide a place in the racing meeting grounds or enclosure or the satellite facility at which the person may conduct and supervise the pari-mutuel system of wagering by patrons of legal age on the horse races conducted or simulcast by the person. The person may not permit or use:

- (1) another place other than that provided and designated by the person; or
- (2) another method or system of betting or wagering.

However, a permit holder licensed to conduct gambling games under IC 4-35 may permit wagering on ~~slot machines~~ **gambling games** at a racetrack as permitted by IC 4-35.

(b) Except as provided in sections 7 and 10 of this chapter, IC 4-31-5.5, and IC 4-31-7.5, the pari-mutuel system of wagering may not be conducted on any races except the races at the racetrack, grounds, or enclosure for which the person holds a permit.

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

- (1) eighteen percent (18%) of the total of money wagered on each day at the racetrack or satellite facility (including money wagered on exotic wagering pools, but excluding money wagered on ~~slot machines~~ **gambling games** under IC 4-35); plus
- (2) an additional three and one-half percent (3.5%) of the total of



all money wagered on exotic wagering pools on each day at the racetrack or satellite facility.

SECTION 5. IC 4-33-2-17, AS AMENDED BY P.L.15-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 17. "Riverboat" means any of the following on which lawful gambling is authorized under this article:

- (1) A self-propelled excursion boat located in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) that complies with IC 4-33-6-6(a).
- (2) A casino located in a historic hotel district.
- (3) A permanently moored craft operating from a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2).

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

SECTION 6. IC 4-33-4-13, AS AMENDED BY P.L.15-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 13. (a) This section does not apply to a riverboat:

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

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

- (1) Determine the waterways that are navigable waterways for purposes of this article.
- (2) Determine the navigable waterways that are suitable for the operation of riverboats under this article.
- (3) Approve a plan submitted under IC 4-33-6-23 for:
  - (A) the construction of a new permanently moored craft; or
  - (B) the conversion of a self-propelled excursion boat into a permanently moored craft.

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

- (1) Obtain any required approvals from the United States Army Corps of Engineers for the operation of riverboats on those waterways.
- (2) Consider the economic benefit that riverboat gambling provides to Indiana.
- (3) Seek to ensure that all regions of Indiana share in the economic benefits of riverboat gambling.

SECTION 7. IC 4-33-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) In determining whether to grant an owner's license to an applicant, the commission shall consider the following:

- (1) The character, reputation, experience, and financial integrity



of the following:

- (A) The applicant.
- (B) A person that:
  - (i) directly or indirectly controls the applicant; or
  - (ii) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.
- (2) The facilities or proposed facilities for the conduct of riverboat gambling.
- (3) The highest prospective total revenue to be collected by the state from the conduct of riverboat gambling.
- (4) The good faith affirmative action plan of each applicant to recruit, train, and upgrade minorities in all employment classifications.
- (5) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.
- (6) If the applicant has adequate capitalization to provide and maintain a riverboat for the duration of the license.
- (7) The extent to which the applicant exceeds or meets other standards adopted by the commission.
- (b) This subsection does not apply to:**
  - (1) a licensed owner constructing a new riverboat under section 24 of this chapter; or**
  - (2) a person applying for an owner's license to assume control of a riverboat operating from a dock previously approved by the commission.**

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

SECTION 8. IC 4-33-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. In an application for an owner's license, the applicant must state:

- (1) the dock at which the riverboat is based and the navigable waterway on which the riverboat will operate; or**
- (2) in the case of an application for an owner's license to own and operate an inland casino under section 24 of this chapter, the site of the inland casino.**

SECTION 9. IC 4-33-6-6, AS AMENDED BY P.L.15-2011, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) Except as provided in subsection (c) **or (d)**, a riverboat that operates in a county described in IC 4-33-1-1(1) or



IC 4-33-1-1(2) must:

(1) have either:

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

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

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

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

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

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

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

(b) The holder of an owner's license issued under this chapter may implement flexible scheduling for the operation of the holder's riverboat under section 21 of this chapter.

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

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

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

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

SECTION 11. IC 4-33-6-24 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 24. (a) For purposes of this section, property is considered to be adjacent to a riverboat dock site even if it is**



separated from the dock site by public rights-of-way or railroad rights-of-way.

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

- (1) Except as provided in subsection (c), the casino is located on property that the licensed owner owned or leased and used in the conduct of the licensed owner's gaming operations on February 1, 2015.
- (2) The casino is located on property adjacent to the dock site of the licensed owner's riverboat.
- (3) The casino complies with all applicable building codes and any safety requirements imposed by the commission.
- (4) The commission approves the relocation of the licensed owner's gaming operation.

(c) This subsection applies to a licensed owner that owns or leases property that is considered adjacent to a riverboat dock site under subsection (a). The licensed owner may:

- (1) acquire part of the public rights-of-way or railroad rights-of-way to form a contiguous parcel with the property owned or leased by the licensed owner on February 1, 2015; and
- (2) subject to the other requirements of this section, situate an inland casino on the contiguous parcel formed under subdivision (1).

(d) The commission may impose any requirement upon a licensed owner relocating gaming operations under this section.

(e) The number of gambling games offered by a licensed owner in an inland facility operated under this section may not exceed the greatest number of gambling games offered by the licensed owner in the licensed owner's docked riverboat since January 1, 2007.

SECTION 12. IC 4-33-6-25 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 25. (a) This section does not apply to a riverboat gaming operation relocated under section 24 of this chapter.**

**(b) The number of gambling games offered by a licensed owner or operating agent within the riverboat operated by the licensed owner or operating agent may not exceed the greatest number of gambling games offered by the licensed owner or operating agent since January 1, 2007.**

SECTION 13. IC 4-33-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 2. An appeal of a final**



rule or order of the commission may be commenced under IC 4-21.5 in the circuit court of the county containing the dock ~~where or site of the~~ riverboat. ~~is based.~~

SECTION 14. IC 4-33-12-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 0.5. This chapter does not apply to a riverboat in a historic hotel district.**

SECTION 15. IC 4-33-12-6, AS AMENDED BY HEA 1398-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by ~~subsections~~ **subsection** (c), ~~and (d)~~; the treasurer of state shall quarterly pay the following amounts:

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

(A) the city in which the riverboat is docked, if the city:

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

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

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) Except as provided in subsection ~~(k)~~; **(j)**, one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

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

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in subsection ~~(k)~~; **(j)**, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

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

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or





promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection ~~(k)~~; **(j)**, fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

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

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(5) Except as provided in subsection ~~(k)~~; **(j)**, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

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

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection ~~(k)~~; **(j)**, sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the state general fund.

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

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

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

(i) Twenty-two and seventy-five hundredths percent (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than forty thousand (40,000) but less than forty-two thousand (42,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county



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

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

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

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

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

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

(i) is located in the county in which the riverboat is located;  
and



(ii) contains a historic hotel.

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

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

(F) Thirteen percent (13%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

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

(i) Job creation and retention.

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

(iii) Housing.

(iv) Workforce training.

(v) Health care.

(vi) Local planning.

(vii) Land use.

(viii) Assistance to regional economic development groups.

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

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

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



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

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

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

(B) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Orleans. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to Orleans Community Schools:

(C) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Paoli. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to the Paoli Community School Corporation:

(D) Twenty-six and sixty-seven hundredths percent (26.67%) to be paid in equal amounts to the fiscal officers of the towns of French Lick and West Baden Springs. At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the Springs Valley Community School Corporation:

(E) Thirty and sixty-six hundredths percent (30.66%) to the Indiana economic development corporation to be used in the manner described in subdivision (1)(G):

(d) (c) This subsection applies to tax revenue collected from a riverboat that operates from Lake County. Except as provided by IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000);

or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from East Chicago during the preceding calendar quarter;

to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, East Chicago's funding



obligation to the authority under IC 36-7.5-4-2.

(2) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000);  
or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Gary during the preceding calendar quarter; to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, Gary's funding obligation to the authority under IC 36-7.5-4-2.

(3) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000);  
or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Hammond during the preceding calendar quarter; to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, Hammond's funding obligation to the authority under IC 36-7.5-4-2.

(4) The lesser of:

(A) eight hundred seventy-five thousand dollars (\$875,000);  
or

(B) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat operating from Lake County during the preceding calendar quarter; to the fiscal officer of the northwest Indiana regional development authority to satisfy, in whole or in part, Lake County's funding obligation to the authority under IC 36-7.5-4-2.

(5) Except as provided in subsection ~~(k)~~; **(j)**, the remainder, if any of:

(A) one dollar (\$1) of the admissions tax collected by the licensed owner for each person admitted to a riverboat during the preceding calendar quarter; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (1), (2), or (3), whichever is applicable, for the calendar quarter;

shall be paid to the city in which the riverboat is docked.

(6) Except as provided in subsection ~~(k)~~; **(j)**, the remainder, if any of:

(A) one dollar (\$1) of the admissions tax collected by the



licensed owner for each person admitted to a riverboat during the preceding calendar quarter; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (4) for the calendar quarter;

shall be paid to the county in which the riverboat is docked.

(7) Except as provided in subsection ~~(k)~~; **(j)**, nine cents (\$0.09) of the admissions tax collected by the licensed owner for each person admitted to a riverboat during the preceding calendar quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(8) Except as provided in subsection ~~(k)~~; **(j)**, one cent (\$0.01) of the admissions tax collected by the licensed owner for each person admitted to a riverboat during the preceding calendar quarter shall be paid to the northwest Indiana law enforcement training center.

(9) Except as provided in subsection ~~(k)~~; **(j)**, fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person admitted to a riverboat during the preceding calendar quarter shall be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(10) Except as provided in subsection ~~(k)~~; **(j)**, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person admitted to a riverboat during the preceding calendar quarter shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(11) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person admitted to a riverboat during the preceding calendar quarter shall be paid to the state general fund.

~~(e)~~ **(d)** Money paid to a unit of local government under subsection **(b)** or **(c)**: ~~or (d)~~:

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

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

(3) may be used for any legal or corporate purpose of the unit,



including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

~~(f)~~ **(e)** Money paid by the treasurer of state under subsection (b)(3) or ~~(d)(7)~~ **(c)(7)** shall be:

(1) deposited in:

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

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

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

~~(g)~~ **(f)** Money received by the division of mental health and addiction under subsections (b)(5) and ~~(d)(10)~~ **(c)(10)**:

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

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

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

~~(h)~~ **(g)** This subsection applies to the following:

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

(2) Each entity receiving money under subsection ~~(d)(5)~~ **(c)(5)** through ~~(d)(6)~~ **(c)(6)**.

(3) Each entity receiving money under subsection ~~(d)(9)~~ **(c)(9)** through ~~(d)(10)~~ **(c)(10)**.

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

~~(i)~~ **(h)** This subsection applies to an entity receiving money under subsection ~~(d)(7)~~ **(c)(7)** or ~~(d)(8)~~ **(c)(8)**. The treasurer of state shall determine the total amount of money paid by the treasurer of state to



the entity described in subsection ~~(d)(7)~~ **(c)(7)** during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection ~~(d)(7)~~; **(c)(7)**. The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection ~~(d)(8)~~; **(c)(8)**. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

~~(j)~~ **(i)** ~~This subsection does not apply to an entity receiving money under subsection (e).~~ The total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection ~~(h)~~ **(g)** or ~~(i)~~; **(h)**. For purposes of this section, the treasurer of state shall treat any amounts distributed under subsection ~~(d)~~ **(c)** to the northwest Indiana regional development authority as amounts constructively received by East Chicago, Gary, Hammond, and Lake County, as appropriate. If the treasurer of state determines that the total amount of money:

- (1) distributed to an entity; and
- (2) constructively received by an entity;

under this section during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5.

~~(k)~~ **(j)** ~~This subsection does not apply to an entity receiving money under subsection (e).~~ The treasurer of state shall pay that part of the riverboat admissions taxes that:

- (1) exceeds a particular entity's base year revenue; and
- (2) would otherwise be due to the entity under this section;

to the state general fund instead of to the entity.

SECTION 16. IC 4-33-12.5-6, AS AMENDED BY HEA 1398-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) The county described in ~~IC 4-33-12-6(d)~~ **IC 4-33-12-6(c)** shall distribute twenty-five percent (25%) of the:

- (1) admissions tax revenue received by the county under ~~IC 4-33-12-6(d)(6)~~; **IC 4-33-12-6(c)(6)**; and
- (2) supplemental distributions received under IC 4-33-13-5;

to the eligible municipalities.

(b) The amount that shall be distributed by the county to each eligible municipality under subsection (a) is based on the eligible municipality's proportionate share of the total population of all eligible municipalities. The most current certified census information available shall be used to determine an eligible municipality's proportionate





share under this subsection. The determination of proportionate shares under this subsection shall be modified under the following conditions:

- (1) The certification from any decennial census completed by the United States Bureau of the Census.
- (2) Submission by one (1) or more eligible municipalities of a certified special census commissioned by an eligible municipality and performed by the United States Bureau of the Census.

(c) If proportionate shares are modified under subsection (b), distribution to eligible municipalities shall change with the:

- (1) payments beginning April 1 of the year following the certification of a special census under subsection (b)(2); and
- (2) the next quarterly payment following the certification of a decennial census under subsection (b)(1).

SECTION 17. IC 4-33-13-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 1.7. (a) This section applies only to a riverboat located in a historic hotel district in a state fiscal year if:**

- (1) the riverboat received not more than eighty million dollars (\$80,000,000) of adjusted gross receipts during the preceding state fiscal year; and**
- (2) the operating agent for the riverboat and the owner of the historic hotels resort are the entities that were the operating agent and owner of the historic hotels resort on January 1, 2015.**

**(b) As used in this section, "historic hotels resort" refers to the historic hotels, the riverboat operated under IC 4-33-6.5, and other properties operated in conjunction with the historic hotel enterprise located in Orange County, including golf courses.**

**(c) An operating agent is entitled to a French Lick historic tax credit against the tax imposed under section 1.5 of this chapter as provided in this section. The amount of the credit for a state fiscal year is equal to the following:**

- (1) Fifty percent (50%) of the tax that the operating agent would otherwise be required to remit to the department, if the riverboat received not more than sixty million dollars (\$60,000,000) of adjusted gross receipts during the preceding state fiscal year.**
- (2) Forty percent (40%) of the tax that the operating agent would otherwise be required to remit to the department, if the riverboat received more than sixty million dollars (\$60,000,000) but not more than sixty-five million dollars**



(\$65,000,000) of adjusted gross receipts during the preceding state fiscal year.

(3) Thirty percent (30%) of the tax that the operating agent would otherwise be required to remit to the department, if the riverboat received more than sixty-five million dollars (\$65,000,000) but not more than seventy million dollars (\$70,000,000) of adjusted gross receipts during the preceding state fiscal year.

(4) Twenty percent (20%) of the tax that the operating agent would otherwise be required to remit to the department, if the riverboat received more than seventy million dollars (\$70,000,000) but not more than seventy-five million dollars (\$75,000,000) of adjusted gross receipts during the preceding state fiscal year.

(5) Ten percent (10%) of the tax that the operating agent would otherwise be required to remit to the department, if the riverboat received more than seventy-five million dollars (\$75,000,000) but not more than eighty million dollars (\$80,000,000) of adjusted gross receipts during the preceding state fiscal year.

(6) A credit is not allowed under this section for a state fiscal year if the riverboat received more than eighty million dollars (\$80,000,000) of adjusted gross receipts during the preceding state fiscal year.

The operating agent may apply the credit on any remittance.

(d) A credit under this section is not refundable.

(e) The amount of revenue retained as a credit must be used by the operating agent and the owner of the historic hotels resort for one (1) or more of the following purposes:

(1) For expenditures to maintain or operate a historic hotel, as determined by the owner of the historic hotels resort.

(2) For expenditures to maintain or operate:

(A) the grounds surrounding a historic hotel;

(B) supporting buildings and structures related to a historic hotel; and

(C) other facilities used by the guests of the historic hotel; as determined by the owner of the historic hotels resort.

Any amount retained as a credit that is not used for a purpose described in subdivision (1) or (2) not more than twelve (12) months after the end of the state fiscal year in which the amount is retained must be remitted to the department for deposit in the state general fund.



**(f) The owner of the historic hotels resort must maintain the records required by the department for the period specified by the department to substantiate that the money retained as a credit under this section was used for the purposes described in subsection (e).**

SECTION 18. IC 4-33-13-5, AS AMENDED BY HEA 1398-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

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

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

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

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

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

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

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

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district **after June 30, 2015**. After funds are appropriated under section 4 of this



chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) ~~Thirty-seven and one-half percent (37.5%)~~ **Fifty-six and five-tenths percent (56.5%)** shall be paid to the state general fund.

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

(3) Eight percent (8%) shall be paid to the Orange County development commission established under IC 36-7-11.5.

(4) Sixteen percent (16%) shall be paid in equal amounts to each town that is located in the county in which the riverboat is located and contains a historic hotel. The following apply to taxes received by a town under this subdivision:

(A) At least twenty-five percent (25%) of the taxes must be transferred to the school corporation in which the town is located.

(B) At least twelve and five-tenths percent (12.5%) of the taxes imposed on adjusted gross receipts received after June 30, 2010, must be transferred to the Orange County development commission established by IC 36-7-11.5-3.5.

(5) Nine percent (9%) shall be paid to the county treasurer of the county in which the riverboat is located. The county treasurer shall distribute the money received under this subdivision as follows:

(A) Twenty-two and twenty-five hundredths percent (22.25%) shall be quarterly distributed to the county treasurer of a county having a population of more than forty thousand (40,000) but less than forty-two thousand (42,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) Twenty-two and twenty-five hundredths percent (22.25%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven



hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) Fifty-five and five-tenths percent (55.5%) shall be retained by the county in which the riverboat is located for appropriation by the county fiscal body after receiving a recommendation from the county executive.

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

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

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

**(2) Forty-three and five-tenths percent (43.5%) shall be paid as follows:**

**(A) Twenty-two and four-tenths percent (22.4%) shall be paid as follows:**

**(i) Fifty percent (50%) to the fiscal officer of the town of French Lick.**

**(ii) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.**

**(B) Fourteen and eight-tenths percent (14.8%) shall be paid to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the**



county shall provide a formula for the distribution of the money received under this clause among the school corporations by joint resolution adopted by the governing body of each of the school corporations in the county. Money received by a school corporation under this clause must be used to improve the educational attainment of students enrolled in the school corporation receiving the money. Not later than the first regular meeting in the school year of a governing body of a school corporation receiving a distribution under this clause, the superintendent of the school corporation shall submit to the governing body a report describing the purposes for which the receipts under this clause were used and the improvements in educational attainment realized through the use of the money. The report is a public record.

(C) Thirteen and one-tenth percent (13.1%) shall be paid to the county treasurer of Orange County.

(D) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Dubois County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(E) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Crawford County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(F) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Paoli.

(G) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Orleans.

(H) Twenty-six and four-tenths percent (26.4%) shall be



**paid to the Indiana economic development corporation established by IC 5-28-3-1 for transfer to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities. However, an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under this section were pledged before January 1, 2015, by the Orange County development commission shall be paid to the Orange County development commission before making a distribution to Radius Indiana or a successor regional entity or partnership. The amount paid to the Orange County development commission reduces the amount payable to Radius Indiana or its successor entity or partnership.**

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

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

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

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

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

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal



year insufficient money is transferred to the state general fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the state general fund from the transfers under subsection (a)(3) for the state fiscal year.

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

- (1) To each city located in the county according to the ratio the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

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

- (1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).
- (2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for debt repayment.
- (3) To fund sewer and water projects, including storm water management projects.
- (4) For police and fire pensions.
- (5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

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





to an entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the state general fund. Except as provided in subsection (i), the amount of an entity's supplemental distribution is equal to:

- (1) the entity's base year revenue (as determined under IC 4-33-12-6); minus
- (2) the sum of:
  - (A) the total amount of money distributed to the entity and constructively received by the entity during the preceding state fiscal year under IC 4-33-12-6; plus
  - (B) the amount of any admissions taxes deducted under IC 6-3.1-20-7.

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

- (1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

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

(j) This subsection applies to a supplemental distribution, if any, payable to Lake County, Hammond, Gary, or East Chicago under subsections (g) and (i). Beginning in September 2016, the treasurer of state shall, after making any deductions from the supplemental distribution required by IC 6-3.1-20-7, deduct from the remainder of the supplemental distribution otherwise payable to the unit under this section the lesser of:

- (1) the remaining amount of the supplemental distribution; or



(2) the difference, if any, between:

(A) three million five hundred thousand dollars (\$3,500,000);  
minus

(B) the amount of admissions taxes constructively received by  
the unit in the previous state fiscal year.

The treasurer of state shall distribute the amounts deducted under this subsection to the northwest Indiana redevelopment authority established under IC 36-7.5-2-1 for deposit in the development authority fund established under IC 36-7.5-4-1.

**(k) Money distributed to a political subdivision under subsection**

**(b):**

**(1) must be paid to the fiscal officer of the political subdivision and may be deposited in the political subdivision's general fund or riverboat fund established under IC 36-1-8-9, or both;**

**(2) may not be used to reduce the maximum levy under IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate of a school corporation, but, except as provided in subsection (b)(2)(B), may be used at the discretion of the political subdivision to reduce the property tax levy of the county, city, or town for a particular year;**

**(3) except as provided in subsection (b)(2)(B), may be used for any legal or corporate purpose of the political subdivision, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and**

**(4) is considered miscellaneous revenue.**

**Money distributed under subsection (b)(2)(B) must be used for the purposes specified in subsection (b)(2)(B).**

SECTION 19. IC 4-33-13-7, AS ADDED BY P.L.229-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) This section applies to adjusted gross receipts from wagering on gambling games that occurs

~~(1) after the effective date of this section, as added by SEA 528-2013. but~~

~~(2) before July 1, 2016.~~

(b) As used in this section, "qualified wagering" refers to wagers made by patrons using noncashable vouchers, coupons, electronic credits, or electronic promotions provided by the licensed owner or operating agent.

(c) Subject to subsection (d), a licensed owner or operating agent may at any time during a state fiscal year deduct from the adjusted gross receipts reported by the licensed owner or operating agent adjusted gross receipts attributable to qualified wagering. A licensed



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

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

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

(2) Five million dollars (\$5,000,000) in a state fiscal year beginning after June 30, 2013, and ending before July 1, ~~2016~~ **2015**.

(3) **Seven million dollars (\$7,000,000) in a state fiscal year beginning after June 30, 2015.**

(e) **A licensed owner or operating agent may for a state fiscal year assign all or part of the amount of the deduction under this section that is not claimed by the licensed owner or operating agent for the state fiscal year to another licensed owner, operating agent, or licensee as defined by IC 4-35-2-7. An assignment under this subsection must be in writing and both the licensed owner or operating agent assigning the deduction and the licensed owner, operating agent, or licensee as defined by IC 4-35-2-7 to which the deduction is assigned shall report the assignment to the commission and to the department. The maximum amount that may be assigned under this subsection by a licensed owner or operating agent for a state fiscal year is equal to the result of:**

**(1) seven million dollars (\$7,000,000); minus**

**(2) the amount deducted under this subsection by the licensed owner or operating agent for the state fiscal year.**

SECTION 20. IC 4-33-14-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) This section applies to a person holding an owner's licenses for riverboats operated from a city described under IC 4-33-6-1(a)(1) through IC 4-33-6-1(a)(3).

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

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

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

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



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

SECTION 22. IC 4-35-2-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 10.5. "Table game" means an apparatus used to gamble upon, including the following:**

- (1) A roulette wheel and table.**
- (2) A blackjack table.**
- (3) A craps table.**
- (4) A poker table.**
- (5) Any other game approved by the commission.**

SECTION 23. IC 4-35-3-1, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 1.** All shipments of **gambling devices, including** slot machines, to licensees in Indiana, the registering, recording, and labeling of which have been completed by the manufacturer or dealer in accordance with 15 U.S.C. 1171 through 15 U.S.C. 1178, are legal shipments of gambling devices into Indiana.

SECTION 24. IC 4-35-4-2, AS AMENDED BY P.L.142-2009, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 2.** (a) The commission shall do the following:

- (1) Adopt rules under IC 4-22-2 that the commission determines are necessary to protect or enhance the following:
  - (A) The credibility and integrity of gambling games authorized under this article.
  - (B) The regulatory process provided in this article.
- (2) Conduct all hearings concerning civil violations of this article.
- (3) Provide for the establishment and collection of license fees imposed under this article, and deposit the license fees in the state general fund.
- (4) Levy and collect penalties for noncriminal violations of this article and deposit the penalties in the state general fund.
- (5) Approve the design, appearance, aesthetics, and construction of **slot machine gambling game** facilities authorized under this article.
- (6) Adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:
  - (A) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and
  - (B) an emergency rule is likely to address the need.
- (7) Adopt rules to establish and implement a voluntary exclusion



program that meets the requirements of subsection (c).

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

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

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

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

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

(3) Except as provided by rule of the commission, a person who participates in the voluntary exclusion program may not petition the commission for readmittance to a facility under the jurisdiction of the commission.

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

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

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

SECTION 25. IC 4-35-4-7, AS AMENDED BY P.L.229-2013, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) The commission shall adopt standards for the licensing of the following:

(1) Persons regulated under this article.

(2) ~~Slot machines used in~~ Gambling games.



(3) Limited mobile gaming systems and mobile gaming devices.

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

SECTION 26. IC 4-35-4-14, AS ADDED BY P.L.142-2009, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 14. (a) The commission may appoint a temporary trustee for a particular ~~slot machine~~ **gambling game** facility at a racetrack if the commission makes the following findings:

(1) That circumstances requiring a trustee to assume control of the ~~slot machine~~ **gambling game** facility are likely to occur.

(2) That the commission has not approved a power of attorney identifying any other person to serve as the trustee for the ~~slot machine~~ **gambling game** facility.

(3) That there is not enough time to consider and approve a power of attorney with respect to the ~~slot machine~~ **gambling game** facility before the circumstances found likely to occur under subdivision (1) will occur.

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

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

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

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

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

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

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

(2) IC 4-35-12.

SECTION 27. IC 4-35-5-2, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) Before issuing a license to a person under this chapter, the commission shall subject the person to a background investigation similar to a background investigation required for an applicant for a riverboat owner's license under IC 4-33-6.

(b) Before the commission may issue a license to a person under this chapter, the person must submit to the commission for the



commission's approval the physical layout of the person's proposed ~~slot machines~~ **gambling games** and the facilities that will contain the proposed ~~slot machines~~ **gambling games**. The facilities that will contain the ~~slot machines~~ **gambling games** must be connected to the licensee's racetrack facilities.

SECTION 28. IC 4-35-6-1, AS AMENDED BY P.L.229-2013, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. A person may not:

- (1) sell;
- (2) lease; or
- (3) contract to sell or lease;

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

SECTION 29. IC 4-35-7-1, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. Gambling games authorized under this article may not be conducted anywhere other than a ~~slot machine~~ **gambling game** facility located at a racetrack.

SECTION 30. IC 4-35-7-1.5, AS ADDED BY P.L.229-2013, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1.5. (a) A licensee may request approval from the commission to use a limited mobile gaming system in the gambling operations of the licensee.

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

SECTION 31. IC 4-35-7-2, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) A person who is less than twenty-one (21) years of age may not wager ~~on a slot machine~~ **under this article**.

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

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



**gambling game** facility.

SECTION 32. IC 4-35-7-4, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. The following may inspect a licensee's **slot machine gambling game** facility at any time to determine if this article is being violated:

- (1) Employees of the commission.
- (2) Officers of the state police department.

SECTION 33. IC 4-35-7-5, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. Employees of the commission have the right to be present in a licensee's **slot machine gambling game** facility.

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

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

SECTION 36. IC 4-35-7-8, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. Wagers may be received only from a person present in a licensee's **slot machine gambling game** facility. A person present in a licensee's **slot machine gambling game** facility may not place or attempt to place a wager on behalf of a person who is not present in the licensee's **slot machine gambling game** facility.

SECTION 37. IC 4-35-7-9, AS AMENDED BY P.L.229-2013, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) A patron may make a **slot machine gambling game** wager at a racetrack only by means of:

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

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

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

- (1) ~~shall~~ **must** be made in **chips**, tokens, electronic cards, paper tickets, or other evidence of winnings and payoffs approved by





the commission; and

(2) may not be made in money or other negotiable currency.

SECTION 38. IC 4-35-7-10, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. A **chip, a** token, or an electronic card described in section 9 of this chapter may be used by a patron while the patron is present at the racetrack only to make a wager on a ~~slot machine~~ **gambling game** authorized under this article.

SECTION 39. IC 4-35-7-11, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. **(a) Before January 2, 2021**, a licensee may not install more than two thousand (2,000) slot machines on the premises of the licensee's racetrack without the approval of the commission.

**(b) After January 1, 2021, a licensee may not offer more than two thousand two hundred (2,200) gambling games on the premises of a licensee's racetrack.**

SECTION 40. IC 4-35-7-12, AS AMENDED BY HEA 1270-2015, SECTION 8, 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) Fifty-five percent (55%) for the following purposes:
    - (i) Ninety-seven percent (97%) for thoroughbred purses.
    - (ii) Two and four-tenths percent (2.4%) to the horsemen's association representing thoroughbred owners and trainers.
    - (iii) Six-tenths percent (0.6%) to the horsemen's association representing thoroughbred owners and breeders.
  - (B) Forty-five percent (45%) to the breed development fund established for thoroughbreds under IC 4-31-11-10.
- (2) Forty-six percent (46%) for standardbred purposes as follows:
  - (A) Three hundred seventy-five thousand dollars (\$375,000) to the state fair commission to be used by the state fair commission to support standardbred racing and facilities at the state fairgrounds.
  - (B) One hundred twenty-five thousand dollars (\$125,000) to the state fair commission to be used by the state fair commission to make grants to county fairs to support standardbred racing and facilities at county fair tracks. The state fair commission shall establish a review committee to include the standardbred association board, the Indiana horse racing commission, and the Indiana county fair association to make recommendations to the state fair commission on grants under this clause.



(C) Fifty percent (50%) of the amount remaining after the distributions under clauses (A) and (B) for the following purposes:

(i) Ninety-six and five-tenths percent (96.5%) for standardbred purses.

(ii) Three and five-tenths percent (3.5%) to the horsemen's association representing standardbred owners and trainers.

(D) Fifty percent (50%) of the amount remaining after the distributions under clauses (A) and (B) to the breed development fund established for standardbreds under IC 4-31-11-10.

(3) Eight percent (8%) for quarter horse purposes as follows:

(A) Seventy percent (70%) for the following purposes:

(i) Ninety-five percent (95%) for quarter horse purses.

(ii) Five percent (5%) to the horsemen's association representing quarter horse owners and trainers.

(B) Thirty percent (30%) to the breed development fund established for quarter horses under IC 4-31-11-10.

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

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

(1) Forty-six percent (46%) to the horsemen's association representing thoroughbred owners and trainers.

(2) Forty-six percent (46%) to the horsemen's association representing standardbred owners and trainers.

(3) Eight percent (8%) to the horsemen's association representing quarter horse owners and trainers.

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

(1) The horsemen's association must annually file a report with



the Indiana horse racing commission concerning the use of the money by the horsemen's association. The report must include information as required by the commission.

(2) The horsemen's association must register with the Indiana horse racing commission.

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

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

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

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

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

SECTION 41. 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)~~ **12(b)(3)** 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)~~ **12(b)(3)** 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.

SECTION 42. 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) After March 1, 2021, and before June 30, 2021, a licensee may submit a plan to the commission for conducting wagering on table games at the licensee's gambling game facility. The commission shall consider a plan submitted under this subsection within forty-five (45) days of receiving the plan.**

**(b) In making its determination to authorize wagering on table games, the commission shall consider the potential:**

- (1) economic benefits;**
- (2) tax revenue;**
- (3) number of new jobs; and**
- (4) capital investments;**

**that could occur if the commission authorizes wagering on table games based on a plan submitted under subsection (a).**

**(c) After considering a plan submitted under subsection (a) and the criteria described in subsection (b), the commission may authorize wagering on table games at the licensee's gambling game facility.**

**(d) A licensee may not:**

- (1) install more gambling games than the number of gambling games proposed in the table game plan submitted to the commission; and**
- (2) offer more than two thousand two hundred (2,200) gambling games as provided under section 11(b) of this chapter.**

SECTION 43. IC 4-35-8-1, AS AMENDED BY P.L.210-2013, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 1. (a) A graduated slot machine wagering tax is imposed as follows on ninety-nine percent (99%) of the adjusted gross receipts received after June 30, 2012, and before July 1, 2013, and on ninety-one and five-tenths percent (91.5%) of the adjusted gross receipts received after June 30, 2013, and before July 1, 2015, and on eighty-eight percent (88%) of the adjusted gross receipts received after June 30, 2015, from wagering on gambling games authorized by this article:**

- (1) Twenty-five percent (25%) of the first one hundred million dollars (\$100,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.**
- (2) Thirty percent (30%) of the adjusted gross receipts in excess of one hundred million dollars (\$100,000,000) but not exceeding**



two hundred million dollars (\$200,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

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

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

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

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

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

SECTION 44. IC 4-35-8-5, AS ADDED BY P.L.229-2013, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) This section applies to adjusted gross receipts from wagering on gambling games that occurs

(1) after the effective date of this section, as added by SEA 528-2013. ~~but~~

(2) before July 1, 2016.

(b) As used in this section, "qualified wagering" refers to wagers made by patrons using noncashable vouchers, coupons, electronic credits, or electronic promotions provided by the licensee.

(c) Subject to subsection (d), a licensee may at any time during the state fiscal year deduct from the adjusted gross receipts reported by the licensee the adjusted gross receipts attributable to qualified wagering. A licensee must take a deduction under this section on a form and in the manner prescribed by the department.

(d) A licensee may not deduct more than the following amounts in a particular state fiscal year:

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

(2) Five million dollars (\$5,000,000) in a state fiscal year beginning after June 30, 2013, and ending before July 1, 2016: **2015.**

(3) **Seven million dollars (\$7,000,000) in a state fiscal year beginning after June 30, 2015.**



(e) Deductions under this section also apply to a licensee's adjusted gross receipts for purposes of the following statutes:

- (1) IC 4-35-7-12.
- (2) IC 4-35-8.5.
- (3) IC 4-35-8.9.

**(f) A licensee may for a state fiscal year assign all or part of the amount of the deduction under this section that is not claimed by the licensee for the state fiscal year to another licensee, a licensed owner as defined by IC 4-33-2-13, or an operating agent as defined by IC 4-33-2-14.5. An assignment under this subsection must be in writing and both the licensee assigning the deduction and the licensee, licensed owner as defined by IC 4-33-2-13, or operating agent as defined by IC 4-33-2-14.5, to which the deduction is assigned shall report the assignment to the commission and to the department. The maximum amount that may be assigned under this subsection by a licensee for a state fiscal year is equal to the result of:**

- (1) seven million dollars (\$7,000,000); minus**
- (2) the amount deducted under this subsection by the licensee for the state fiscal year.**

SECTION 45. IC 4-35-8.3 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

**Chapter 8.3. Historic Hotel District Community Support Fee**

**Sec. 1. This chapter applies to a state fiscal year beginning after June 30, 2015.**

**Sec. 2. Before October 1 of each year, a licensee shall pay to the department an annual historic hotel district community support fee equal to:**

- (1) one million two hundred fifty thousand dollars (\$1,250,000); multiplied by**
- (2) the number of gambling game facilities operated by the licensee under this article.**

**Sec. 3. The department shall deposit the fees received under section 2 of this chapter in the state general fund.**

**Sec. 4. (a) Before December 1 of each year, the auditor of state shall distribute an amount equal to the fees deposited in that year under section 3 of this chapter to communities and schools located near a historic hotel district and the Indiana economic development corporation as follows:**

- (1) Twenty-two and four-tenths percent (22.4%) to be paid as follows:**





**(A) Fifty percent (50%) to the fiscal officer of the town of French Lick.**

**(B) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.**

**(2) Fourteen and eight-tenths percent (14.8%) to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the county shall provide a formula for the distribution of the money received under this subdivision among the school corporations by joint resolution adopted by the governing body of each of the school corporations in the county. Money received by a school corporation under this subdivision must be used to improve the educational attainment of students enrolled in the school corporation receiving the money. Not later than the first regular meeting in the school year of a governing body of a school corporation receiving a distribution under this subdivision, the superintendent of the school corporation shall submit to the governing body a report describing the purposes for which the receipts under this subdivision were used and the improvements in educational attainment realized through the use of the money. The report is a public record.**

**(3) Thirteen and one-tenth percent (13.1%) to the county treasurer of Orange County.**

**(4) Five and three-tenths percent (5.3%) to the county treasurer of Dubois County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body shall provide for the distribution of the money received under this subdivision to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.**

**(5) Five and three-tenths percent (5.3%) to the county treasurer of Crawford County for appropriation by the county fiscal body. The county fiscal body shall provide for the distribution of the money received under this subdivision to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.**

**(6) Six and thirty-five hundredths percent (6.35%) to the**



fiscal officer of the town of Paoli.

(7) Six and thirty-five hundredths percent (6.35%) to the fiscal officer of the town of Orleans.

(8) Twenty-six and four-tenths percent (26.4%) to the Indiana economic development corporation for transfer to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities. However if the amount distributed under IC 4-33-13-5(b)(2)(H) to the Orange County development commission is insufficient to meet the obligations described in IC 4-33-13-5(b)(2)(H), an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under IC 4-33-13-5 were pledged before January 1, 2015, by the Orange County development commission shall be paid to the Orange County development commission before making a distribution to Radius Indiana or a successor regional entity or partnership. The amount paid to the Orange County development commission reduces the amount payable to Radius Indiana or its successor entity or partnership.

**Sec. 5. (a) Money distributed to a political subdivision under section 4 of this chapter:**

- (1) must be paid to the fiscal officer of the political subdivision and may be deposited in the political subdivision's general fund or riverboat fund established under IC 36-1-8-9, or both;
- (2) may not be used to reduce the maximum levy under IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate of a school corporation, but, except as provided in section 4(a)(2) of this chapter, may be used at the discretion of the political subdivision to reduce the property tax levy of the county, city, or town for a particular year;
- (3) except as provided in section 4(a)(2) of this chapter, may be used for any legal or corporate purpose of the political subdivision, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and
- (4) is considered miscellaneous revenue.

**(b) Money distributed under section 4(a)(2) of this chapter must be used for the purposes specified in section 4(a)(2) of this chapter.**

SECTION 46. IC 4-35-8.5-1, AS ADDED BY P.L.233-2007,



SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) Before the fifteenth day of each month, a licensee that offers **slot machine gambling game** wagering under this article shall pay to the commission a county **slot machine gambling game** wagering fee equal to three percent (3%) of the adjusted gross receipts received from **slot machine gambling game** wagering during the previous month at the licensee's racetrack. However, a licensee is not required to pay more than eight million dollars (\$8,000,000) of county **slot machine gambling game** wagering fees under this section in any state fiscal year.

(b) The commission shall deposit the county **slot machine gambling game** wagering fee received by the commission into a separate account within the state general fund.

SECTION 47. IC 4-35-8.5-2, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. Before the fifteenth day of each month, the treasurer of state shall distribute any county **slot machine gambling game** wagering fees received from a licensee during the previous month to the county auditor of the county in which the licensee's racetrack is located.

SECTION 48. IC 4-35-8.5-3, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. The auditor of each county receiving a distribution of county **slot machine gambling game** wagering fees under section 2 of this chapter shall distribute the county **slot machine gambling game** wagering fees as follows:

- (1) To each city located in the county according to the ratio the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio the town's population bears to the total population of the county.
- (3) After the distributions required by subdivisions (1) and (2) are made, the remainder shall be retained by the county.

SECTION 49. IC 4-35-8.7-2, AS AMENDED BY P.L.142-2009, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. A licensee that offers **slot machine** wagering **on gambling games** under this article shall annually pay to the Indiana horse racing commission a gaming integrity fee equal to two hundred fifty thousand dollars (\$250,000) for each racetrack at which the licensee offers **slot machine** wagering **on gambling games**. The Indiana horse racing commission shall deposit gaming integrity fees in the fund.

SECTION 50. IC 4-35-8.8-2, AS ADDED BY P.L.233-2007,



SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. A licensee that offers slot machine wagering at racetracks under this article shall annually pay to the ~~division~~ **commission** a problem gambling fee equal to five hundred thousand dollars (\$500,000) for each racetrack at which the licensee offers slot machine wagering. **The commission shall annually retain two hundred fifty thousand dollars (\$250,000) from the total amount paid under this section for the commission's own efforts at preventing and treating compulsive gambling. The commission shall transfer the remaining seven hundred fifty thousand dollars (\$750,000) received each year to the division.**

SECTION 51. IC 4-35-8.8-3, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. The division may use problem gambling fees ~~paid to~~ **received by** the division under this chapter only for the prevention and treatment of compulsive gambling that is related to ~~slot machine wagering and other~~ gambling allowed under **this article and** IC 4-33.

SECTION 52. IC 4-35-9-2, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. A person who knowingly or intentionally aids, induces, or causes a person who is:

- (1) less than twenty-one (21) years of age; and
- (2) not an employee of a licensee;

to enter or attempt to enter the licensee's **slot machine gambling game** facility commits a Class A misdemeanor.

SECTION 53. IC 4-35-9-3.5, AS ADDED BY P.L.158-2013, SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3.5. (a) A person who:

- (1) is not an employee of a licensee;
- (2) is less than twenty-one (21) years of age; and
- (3) enters the licensee's **slot machine gambling game** facility;

commits a Class C infraction.

(b) A person who:

- (1) is not an employee of a licensee;
- (2) is less than twenty-one (21) years of age; and
- (3) attempts to enter the licensee's **slot machine gambling game** facility;

commits a Class C infraction.

SECTION 54. IC 4-35-9-4, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. A person who knowingly or intentionally:



- (1) makes a false statement on an application submitted under this article;
- (2) conducts a gambling game in a manner other than the manner required under this article; or
- (3) wagers or accepts a wager at a location other than a licensee's **slot machine gambling game** facility;

commits a Class A misdemeanor.

SECTION 55. IC 4-35-11-1, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. This chapter applies to persons holding a permit to operate a racetrack under IC 4-31-5 at which **slot machines gambling games** are licensed under this article.

SECTION 56. IC 4-35-11-2, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. The general assembly declares that it is essential for minority and women's business enterprises to have the opportunity for full participation in the racetrack industry if minority and women's business enterprises are to obtain social and economic parity and if the economies of the cities, towns, and counties in which **slot machines gambling games** are operated at racetracks are to be stimulated as contemplated by this article.

SECTION 57. IC 4-35-12-9, AS ADDED BY P.L.142-2009, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. A trustee acting under the authority of this chapter may conduct the operations of any hotel, restaurant, golf course, or other amenity related to the racetrack's **slot machine gambling game** facility.

SECTION 58. IC 4-36-1-3, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. This article does not apply to the following:

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

SECTION 59. IC 6-3.1-20-7, AS AMENDED BY HEA 1398-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) The department shall before July 1 of each year determine the greater of:

- (1) eight million five hundred thousand dollars (\$8,500,000); or
- (2) the amount of credits allowed under this chapter for taxable years ending before January 1 of the year.



(b) Except as provided in subsection (d), one-half (1/2) of the amount determined by the department under subsection (a) shall be:

- (1) deducted during the year from the riverboat admissions tax revenue otherwise payable to the county under ~~IC 4-33-12-6(d)(6)~~ **IC 4-33-12-6(c)(6)** and the supplemental distribution otherwise payable to the county under IC 4-33-13-5(g); and
- (2) paid instead to the state general fund.

(c) Except as provided in subsection (d), one-sixth (1/6) of the amount determined by the department under subsection (a) shall be:

- (1) deducted during the year from the riverboat admissions tax revenue otherwise payable under ~~IC 4-33-12-6(d)(5)~~ **IC 4-33-12-6(c)(5)** and the supplemental distribution otherwise payable under IC 4-33-13-5(g) to each of the following:
  - (A) The largest city by population located in the county.
  - (B) The second largest city by population located in the county.
  - (C) The third largest city by population located in the county;
- and
- (2) paid instead to the state general fund.

(d) If the amount determined by the department under subsection (a)(2) is less than eight million five hundred thousand dollars (\$8,500,000), the difference of:

- (1) eight million five hundred thousand dollars (\$8,500,000); minus
- (2) the amount determined by the department under subsection (a)(2);

shall be paid to the northwest Indiana regional development authority established by IC 36-7.5-2-1 instead of the state general fund. Any amounts paid under this subsection shall be used by the northwest Indiana regional development authority only to establish or improve public mass rail transportation systems in Lake County.

SECTION 60. IC 6-3.5-1.1-25, AS AMENDED BY HEA 1475-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 25. (a) As used in this section, "public safety" refers to the following:

- (1) A police and law enforcement system to preserve public peace and order.
- (2) A firefighting and fire prevention system.
- (3) Emergency ambulance services (as defined in IC 16-18-2-107).
- (4) Emergency medical services (as defined in IC 16-18-2-110).
- (5) Emergency action (as defined in IC 13-11-2-65).



- (6) A probation department of a court.
  - (7) Confinement, supervision, services under a community corrections program (as defined in IC 35-38-2.6-2), or other correctional services for a person who has been:
    - (A) diverted before a final hearing or trial under an agreement that is between the county prosecuting attorney and the person or the person's custodian, guardian, or parent and that provides for confinement, supervision, community corrections services, or other correctional services instead of a final action described in clause (B) or (C);
    - (B) convicted of a crime; or
    - (C) adjudicated as a delinquent child or a child in need of services.
  - (8) A juvenile detention facility under IC 31-31-8.
  - (9) A juvenile detention center under IC 31-31-9.
  - (10) A county jail.
  - (11) A communications system (as defined in IC 36-8-15-3), an enhanced emergency telephone system (as defined in IC 36-8-16-2 (before its repeal on July 1, 2012)), or the statewide 911 system (as defined in IC 36-8-16.7-22).
  - (12) Medical and health expenses for jail inmates and other confined persons.
  - (13) Pension payments for any of the following:
    - (A) A member of the fire department (as defined in IC 36-8-1-8) or any other employee of a fire department.
    - (B) A member of the police department (as defined in IC 36-8-1-9), a police chief hired under a waiver under IC 36-8-4-6.5, or any other employee hired by a police department.
    - (C) A county sheriff or any other member of the office of the county sheriff.
    - (D) Other personnel employed to provide a service described in this section.
- (b) A county council may adopt an ordinance to impose an additional tax rate under this section to provide funding for public safety. **However, in a county in which a historic hotel district (as defined in IC 4-33-2-11.5) is located, a county council may impose a tax rate under this section to provide funding for public safety without imposing a tax rate under section 24 or 26 of this chapter.**
- (c) A tax rate under this section may not exceed twenty-five hundredths of one percent (0.25%).
  - (d) If a county council adopts an ordinance to impose a tax rate



under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(f) Except as provided in subsections (k), (l), (m), and (n), the county auditor shall distribute the portion of the certified distribution that is attributable to a tax rate under this section to the county and to each municipality in the county that is carrying out or providing at least one (1) of the public safety purposes described in subsection (a). The amount that shall be distributed to the county or municipality is equal to the result of:

(1) the portion of the certified distribution that is attributable to a tax rate under this section; multiplied by

(2) a fraction equal to:

(A) the attributed allocation amount (as defined in IC 6-3.5-1.1-15) of the county or municipality for the calendar year; divided by

(B) the sum of the attributed allocation amounts of the county and each municipality in the county that is entitled to a distribution under this section for the calendar year.

The county auditor shall make the distributions required by this subsection not more than thirty (30) days after receiving the portion of the certified distribution that is attributable to a tax rate under this section. Tax revenue distributed to a county or municipality under this subsection must be deposited into a separate account or fund and may be appropriated by the county or municipality only for public safety purposes.

(g) The department of local government finance may not require a county or municipality receiving tax revenue under this section to reduce the county's or municipality's property tax levy for a particular year on account of the county's or municipality's receipt of the tax revenue.

(h) The tax rate under this section and the tax revenue attributable to the tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 2 of this chapter or any other provision of this chapter;





(2) the maximum permissible property tax levy under IC 6-1.1-18.5-3; or

(3) the credit under IC 6-1.1-20.6.

(i) The tax rate under this section may be imposed or rescinded at the same time and in the same manner that the county may impose or increase a tax rate under section 24 of this chapter.

(j) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(k) Two (2) or more political subdivisions that are entitled to receive a distribution under this section may adopt resolutions providing that some part or all of those distributions shall instead be paid to one (1) political subdivision in the county to carry out specific public safety purposes specified in the resolutions.

(l) A fire department, volunteer fire department, or emergency medical services provider that:

(1) provides fire protection or emergency medical services within the county; and

(2) is operated by or serves a political subdivision that is not otherwise entitled to receive a distribution of tax revenue under this section;

may before July 1 of a year apply to the county council for a distribution of tax revenue under this section during the following calendar year. The county council shall review an application submitted under this subsection and may before September 1 of a year adopt a resolution requiring that one (1) or more of the applicants shall receive a specified amount of the tax revenue to be distributed under this section during the following calendar year. A resolution approved under this subsection providing for a distribution to one (1) or more fire departments, volunteer fire departments, or emergency medical services providers applies only to distributions in the following calendar year. Any amount of tax revenue distributed under this subsection to a fire department, volunteer fire department, or emergency medical services provider shall be distributed before the remainder of the tax revenue is distributed under subsection (f).

(m) This subsection applies to a county in which a tax rate under this section is not in effect on July 1, 2015. The county council may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue to be distributed under this section shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this



subsection shall be distributed before the remainder of the tax revenue is distributed under this section.

(n) This subsection applies to a county in which a tax rate under this section is in effect on July 1, 2015. If the tax rate under this section is increased after July 1, 2015, the county council may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue derived from the part of the tax rate under this section that exceeds the tax rate in effect on July 1, 2015, shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.

SECTION 61. IC 6-9-45.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

**Chapter 45.5. Historic Hotels Food and Beverage Tax**

**Sec. 1. As used in this chapter, "beverage" includes, but is not limited to, any alcoholic beverage.**

**Sec. 2. As used in this chapter, "food" includes, but is not limited to, any food product.**

**Sec. 3. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1-5.**

**Sec. 4. As used in this chapter, "historic hotel" has the meaning set forth in IC 4-33-2-11.1.**

**Sec. 5. As used in this chapter, "historic hotels resort" refers to the historic hotels, the riverboat operated under IC 4-33-6.5, and other properties operated in conjunction with the historic hotel enterprise located in Orange County, including golf courses.**

**Sec. 6. As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1-3.**

**Sec. 7. As used in this chapter, "retail merchant" has the meaning set forth in IC 6-2.5-1-8.**

**Sec. 8. (a) An excise tax, known as the food and beverage tax, is imposed on those transactions described in section 9 of this chapter that occur at a historic hotels resort after June 30, 2015.**

**(b) The rate of the tax imposed under this chapter equals two percent (2%) of the gross retail income on the transaction.**

**Sec. 9. (a) Except as provided in section 10 of this chapter, the tax imposed under section 8 of this chapter applies to any transaction in which food or beverage is furnished, prepared, or served:**



- (1) for consumption at a location, or on equipment, provided by a retail merchant;
- (2) in a historic hotels resort; and
- (3) by a retail merchant for consideration.

(b) Transactions described in subsection (a)(1) include transactions in which food or beverage is:

- (1) sold in a heated state or heated by a retail merchant;
- (2) two (2) or more food ingredients mixed or combined by a retail merchant for sale as a single item (other than food that is only cut, repackaged, or pasteurized by the seller, and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal Food and Drug Administration in chapter 3, subpart 3-401.11 of its Food Code so as to prevent food borne illnesses); or
- (3) sold with eating utensils provided by a retail merchant, including plates, knives, forks, spoons, glasses, cups, napkins, or straws (for purposes of this subdivision, a plate does not include a container or packaging used to transport the food).

Sec. 10. The tax imposed under this chapter does not apply to the furnishing, preparing, or serving of any food or beverage in a transaction that is exempt, or to the extent exempt, from the state gross retail tax imposed by IC 6-2.5.

Sec. 11. The tax imposed under this chapter shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5. However, the return to be filed for the payment of the taxes may be made on separate returns or may be combined with the return filed for the payment of the state gross retail tax, as prescribed by the department of state revenue.

Sec. 12. The amounts received from a tax imposed under this chapter shall be distributed monthly by the auditor of state to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11.

Sec. 13. (a) As used in this section, "another food and beverage tax" refers to an excise tax that is imposed under any law other than this chapter and that is levied in all or any part of Orange County on a transaction in which food or beverage is furnished, prepared, or served:

- (1) for consumption at a location, or on equipment, provided by a retail merchant;
- (2) in the area in which the food and beverage tax is imposed;



and

(3) by a retail merchant for consideration.

(b) Notwithstanding any other law, another food and beverage tax does not apply to transactions described in section 9 of this chapter.

SECTION 62. IC 6-9-45.6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

**Chapter 45.6. Historic Hotels Supplemental Innkeeper's Tax**

**Sec. 1.** This chapter applies to a historic hotel regardless of whether the county in which the historic hotel is located imposes an innkeeper's tax on the same transactions under any other chapter of this article.

**Sec. 2.** As used in this chapter, "historic hotel" has the meaning set forth in IC 4-33-2-11.1.

**Sec. 3.** As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1-3.

**Sec. 4. (a)** A supplemental innkeeper's tax is levied on every person or entity engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any historic hotel.

(b) The tax is imposed at the rate of two percent (2%) on the gross retail income derived after June 30, 2015, from lodging income only and is in addition to the state gross retail tax imposed under IC 6-2.5. The tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(c) All the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration are applicable to the imposition and administration of the tax imposed under this section except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter. The return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may determine.

**Sec. 5.** The amounts received from a tax imposed under this chapter shall be distributed monthly by the auditor of state to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11.

**Sec. 6. (a)** As used in this section, "another innkeeper's tax" refers to an excise tax imposed under any law other than this



chapter and levied in all of or any part of Orange County on persons or entities engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations.

(b) Notwithstanding any other law, if the tax rate at which another innkeeper's tax is imposed is increased after December 31, 2014, above the rate in effect on January 1, 2015, the additional tax rate does not apply to transactions described in section 4 of this chapter.

SECTION 63. IC 12-23-2-5, AS AMENDED BY P.L.1-2009, SECTION 107, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. The general assembly shall appropriate money from the addiction services fund solely for the purpose of funding programs:

- (1) that provide prevention services and intervention and treatment services for individuals who are psychologically or physiologically dependent upon alcohol or other drugs; and
- (2) that are for the prevention and treatment of gambling problems.

Programs funded by the addiction services fund must include the creation and maintenance of a toll free telephone line under ~~IC 4-33-12-6(e)(3)~~ **IC 4-33-12-6(f)(3)** to provide the public with information about programs that provide help with gambling, alcohol, and drug addiction problems.

SECTION 64. IC 36-7-11.5-11, AS AMENDED BY P.L.229-2011, SECTION 266, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) As used in this section, "fund" refers to the West Baden Springs historic hotel preservation and maintenance fund established by subsection (b).

(b) The West Baden Springs historic hotel preservation and maintenance fund is established. The fund consists of the following:

- (1) Amounts deposited in the fund under IC 4-33-6.5-6, ~~IC 4-33-12-6(c)~~, **IC 4-33-12-6 (before the enactment of P.L.96-2010), and IC 4-33-13-5(b) (before July 1, 2015), IC 6-9-45.5, and IC 6-9-45.6.**
- (2) Grants and gifts that the department of natural resources receives for the fund under terms, obligations, and liabilities that the department considers appropriate.
- (3) The one million dollar (\$1,000,000) initial fee paid to the gaming commission under IC 4-33-6.5.
- (4) Any amount transferred to the fund upon the repeal of IC 36-7-11.5-8 (the community trust fund).



The fund shall be administered by the department of natural resources. The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund that is not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. The treasurer of state shall deposit in the fund the interest that accrues from the investment of the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

**(e) One million dollars (\$1,000,000) is appropriated from the fund to the department of natural resources in the state fiscal year beginning after June 30, 2014, and ending before July 1, 2015. Two million dollars (\$2,000,000) is appropriated from the fund to the department of natural resources in each state fiscal year beginning after June 30, 2015. The money appropriated under this subsection may be used by the department of natural resources only for the following purposes:**

**(1) To reimburse claims made for expenditures for a qualified historic hotel, as determined by the owner of the hotel riverboat resort.**

**(2) To reimburse claims made for expenditures to maintain:**  
**(A) the grounds surrounding a qualified historic hotel;**  
**(B) supporting buildings and structures related to a qualified historic hotel; and**  
**(C) other facilities used by the guests of the qualified historic hotel;**

**as determined by the owner of the hotel riverboat resort.**

**The department of natural resources shall promptly pay each claim for a purpose described in this subsection, without review or approval of the project or claim under IC 14-21 or IC 36-7-11. IC 14-21-1-18 does not apply to projects or claims paid for maintenance under this section. If insufficient money is available to fully pay all of the submitted claims, the department of natural resources shall pay the claims in the order in which they are received until each claim is fully paid.**

**(e) The interest accruing to the fund is annually appropriated to the department of natural resources only for the following purposes:**

**(1) To reimburse claims made for expenditures to maintain a qualified historic hotel; as determined by the owner of the hotel riverboat resort.**

**(2) To reimburse claims made for expenditures to maintain:**



- (A) the grounds surrounding a qualified historic hotel;
- (B) supporting buildings and structures related to a qualified historic hotel; and
- (C) other facilities used by the guests of the qualified historic hotel;

as determined by the owner of the hotel riverboat resort.

(f) The department of natural resources shall promptly pay each claim for a purpose described in subsection (e) to the extent of the balance of interest available in the fund, without review or approval of the project or claim under IC 14-21 or IC 36-7-11. IC 14-21-1-18 does not apply to projects or claims paid for maintenance under this section. If insufficient money is available to fully pay all of the submitted claims, the department of natural resources shall pay the claims in the order in which they are received until each claim is fully paid.

(g) (f) Notwithstanding IC 4-9.1-1-7, IC 4-12-1-12, IC 4-13-2-18, or any other law, interest accruing to the fund may not be withheld, transferred, assigned, or reassigned to a purpose other than the reimbursement of claims under subsection (f): (e).

SECTION 65. P.L.229-2013, SECTION 39, IS REPEALED [EFFECTIVE UPON PASSAGE]. SECTION 39: (a) As used in this SECTION, "commission" refers to the Indiana gaming commission.

(b) The commission shall conduct a study regarding the use of complimentary promotional credit programs by persons licensed under IC 4-33 and IC 4-35. The commission shall study the impact of complimentary credit programs on state gaming revenues.

(c) The commission shall present its findings and recommendations, if any, to the budget committee before November 1, 2015.

(d) This SECTION expires January 1, 2016.

SECTION 66. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 4-33-2 and IC 4-33-23 apply throughout this SECTION.

(b) The legislative council is urged to assign to an appropriate interim study committee a study of the following:

(1) The extent to which local governments rely on tax revenues received under IC 4-33-12 and IC 4-33-13, including revenues received under IC 4-33-13-5 as revenue sharing or supplemental distributions.

(2) The extent to which local governments rely on economic development payments received under development agreements.

(3) The extent to which the local governments receiving tax revenues under IC 4-33-12 and IC 4-33-13 and economic development payments share revenue with other local



governments.

(4) The purposes for which local governments use tax revenues under IC 4-33-12 and IC 4-33-13 and economic development payments.

(5) The extent to which liability for the riverboat admissions tax affects the competitiveness of Indiana's riverboats within the regional gaming industry.

(6) The extent to which obligations under economic development agreements affect the competitiveness of Indiana's riverboats within the regional gaming industry.

(7) The extent to which the statutory wagering tax rates affect the competitiveness of Indiana's gaming facilities within Indiana and within the regional gaming industry.

(8) The extent to which providing supplemental distributions under IC 4-33-13 affects the ability of the general assembly to provide a flexible regulatory environment that allows the state to react to changing market conditions.

(9) Whether a taxpayer subject to the riverboat wagering tax (IC 4-33-13) or the slot machine wagering tax (IC 4-35-8) should be exempted from adding back wagering taxes deducted for federal income tax purposes under Section 63 of the Internal Revenue Code when determining the taxpayer's adjusted gross income for Indiana income tax purposes under IC 6-3-1-3.5.

(c) If an interim study committee is assigned the topics described in subsection (b), the interim study committee shall report its findings and recommendations, if any, to the legislative council in an electronic format under IC 5-14-6 before November 1, 2015.

(d) This SECTION expires January 1, 2016.

SECTION 67. An emergency is declared for this act.





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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

HEA 1540 — CC 1

