February 20, 2015

HOUSE BILL No. 1540

DIGEST OF HB 1540 (Updated February 19, 2015 10:04 am - DI 92)

Citations Affected: IC 4-31; IC 4-33; IC 4-35; IC 4-36; IC 6-1.1; IC 6-3.1; IC 6-8.1; IC 6-9; IC 7.1-3; IC 8-18; IC 12-23; IC 20-26; IC 20-47; IC 36-1; IC 36-7; IC 36-7.5; noncode.

Synopsis: Various gaming matters. Authorizes riverboats to move inland to adjacent properties meeting certain requirements. Requires a Gary riverboat license to be relinquished if the licensed owner relocates to an inland casino. Repeals the admissions tax on January 1, 2017. Eliminates the supplemental distribution from the wagering tax after December 31, 2016. Provides for wagering tax distributions to the division of mental health and addiction and the state fair commission beginning in 2017. Establishes new riverboat and racino wagering tax brackets applying to wagering occurring after December 31, 2016. Increases the amount of revenue sharing provided from riverboat wagering tax revenues to $40,000,000 and extends revenue sharing to all 92 counties in 2017. Extends the availability of the promotional play deduction for riverboats and racinos until July 1, 2018. Provides that certain economic development agreements are considered void on December 31, 2016. Provides for the renegotiation of new economic

(Continued next page)

Effective: July 1, 2015; January 1, 2016; January 1, 2017.

Dermody, Brown T, GiaQuinta, Austin

January 20, 2015, read first time and referred to Committee on Public Policy.
February 12, 2015, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.
February 19, 2015, amended, reported — Do Pass.

development agreements to replace voided agreements. Requires the gaming commission to establish a default local development fee through arbitration of between 2% and 7% of the development provider's adjusted gross receipts (AGR) if a new agreement isn't reached. Imposes a homestead property tax relief fee on the Lake County riverboats to offset state revenue losses attributable to the income tax credit for Lake County homestead property taxes beginning in 2017. (Current law uses admissions tax distributions to offset the state revenue losses.) Authorizes and provides for the taxation of table games at the racinos. Provides for the use of AGR attributable to table games to support the horse racing industry. Establishes the Indiana gaming investment tax credit for certain capital investments.

February 20, 2015

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

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~*this style type*~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1540

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

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

SECTION 1. IC 4-31-2-7.5 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 2. IC 4-31-7-1, AS AMENDED BY P.L.233-2007, SECTION 8, 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 section 7 of this chapter and IC 4-31-5.5, 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 3. 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 4. 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 5. 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 6. IC 4-33-4-21.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner or an operating agent to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 **(before its repeal on January 1, 2017) or IC 4-33-13-8** in the following locations:

(1) On each admission ticket to a riverboat if tickets are issued.

(2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.

(b) The toll free telephone line described in IC 4-33-12-6 **(before its repeal on January 1, 2017) or IC 4-33-13-8** must be:

(1) maintained by the division of mental health and addiction under IC 12-23-1-6; and

(2) funded by the addiction services fund established by IC 12-23-2-2.

(c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

SECTION 7. IC 4-33-5-2, AS AMENDED BY P.L.125-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. Notwithstanding any other law, upon written request from a person, the commission shall provide the following information to the person:

(1) Except as provided in section 1.5 of this chapter, the information provided under section 1 of this chapter concerning a licensee or an applicant.

(2) The amount of the wagering tax and admission tax **(before its repeal on January 1, 2017)** paid daily to the state by a licensed owner or an operating agent.

(3) A copy of a letter providing the reasons for the denial of an owner's license or an operating agent's contract.

(4) A copy of a letter providing the reasons for the commission's refusal to allow an applicant to withdraw the applicant's application.

SECTION 8. IC 4-33-6-1, AS AMENDED BY P.L.229-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) The commission may issue to a person a license to own a riverboat subject to the numerical and geographical limitation of owner's licenses under this section, section 3.5 of this chapter, and IC 4-33-4-17. However, not more than ten (10) owner's licenses may be in effect at any time. Those ten (10) licenses are as follows:

(1) **The maximum number specified in either of the following for the city of Gary:**

(A) Two (2) licenses for ~~a riverboat that operates~~ **two (2) docked riverboats that operate** from the city of Gary.

(1) One (1) license for an inland casino operating in the city of Gary under section 24 of this chapter.

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

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

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

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

(A) Vanderburgh County.

(B) Harrison County.

(C) Switzerland County.

(D) Ohio County.

(E) Dearborn County.

The commission may not issue a license to an applicant if the issuance of the license would result in more than one (1) riverboat operating from a county described in this subdivision.

(b) In addition to its power to issue owner's licenses under subsection (a), the commission may also enter into a contract under IC 4-33-6.5 with respect to the operation of one (1) riverboat on behalf of the commission in a historic hotel district.

(c) A person holding an owner's license may not move the person's riverboat from the county in which the riverboat was docked on January 1, 2007, to any other county.

SECTION 9. 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 10. 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 11. 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 12. 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 13. 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 a public road or a railroad right 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) The casino is located on property that the licensed owner owned 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) The commission may impose any requirement upon a licensed owner relocating gaming operations under this section.

(d) The number of gaming positions offered by a licensed owner in an inland facility operated under this section may not exceed the number of gaming positions offered by the licensed owner in the licensed owner's docked riverboat on February 1, 2015.

(e) This subsection applies only to a licensed owner operating two (2) riverboats from a dock in Gary. If the licensed owner relocates a gaming operation under this section, the licensed owner shall:

(1) relinquish the owner's license for the licensed owner's second riverboat; and

(2) terminate the licensed owner's gaming operations on board the second riverboat;

before the date determined by the commission in the commission's approval of the licensed owner's relocation to an inland casino.

SECTION 14. IC 4-33-6.5-5, AS AMENDED BY P.L.234-2007, SECTION 278, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. After selecting the most appropriate operating agent applicant, the commission may enter into an operating agent contract with the person. The operating agent contract must comply with this article and include the following terms and conditions:

(1) The operating agent must pay a nonrefundable initial fee of one million dollars ($1,000,000) to the commission. The fee must

be deposited by the commission into the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(2) The operating agent must post a bond as required in section 6 of this chapter.

(3) The operating agent must implement flexible scheduling.

(4) The operating agent must locate the riverboat in a historic hotel district at a location approved by the commission.

(5) The operating agent must comply with any requirements concerning the exterior design of the riverboat that are approved by the commission.

(6) Notwithstanding any law limiting the maximum length of contracts:

(A) the initial term of the contract may not exceed twenty (20) years; and

(B) any renewal or extension period permitted under the contract may not exceed twenty (20) years.

(7) The operating agent must collect and remit all taxes under IC 4-33-12 **(before its repeal on January 1, 2017)** and IC 4-33-13.

(8) The operating agent must comply with the restrictions on the transferability of the operating agent contract under section 12 of this chapter.

SECTION 15. 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 16. IC 4-33-12-6, AS AMENDED BY P.L.2-2014, SECTION 7, 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 (c) and (d), ~~and IC 6-3.1-20-7,~~ the ~~treasurer~~ **auditor** of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), 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 **preceding calendar** quarter shall be paid to:

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

(2) Except as provided in subsection (k), 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 **preceding calendar** quarter ~~that has implemented flexible scheduling under IC 4-33-6-21;~~

shall be paid to the county in which the riverboat is ~~docked.~~ **located.** 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), 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 **preceding calendar** 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.~~ **located.**

(4) Except as provided in subsection (k), 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~~ **the preceding calendar** 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), 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 **preceding calendar** 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), 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 **preceding calendar** quarter ~~that has implemented flexible scheduling under IC 4-33-6-21~~ shall be paid to the state general fund.

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

~~(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)~~ **(1)** 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~~ **subdivision** as follows:

~~(i)~~ **(A)** 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).~~ **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.**

~~(ii)~~ **(B)** 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).~~ **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 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.

~~(iii)~~ **(C)** 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)~~ **(2)** 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~~ **subdivision** must be transferred to Orleans Community Schools.

~~(C)~~ **(3)** 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~~ **subdivision** must be transferred to the Paoli Community School Corporation.

~~(D)~~ **(4)** 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~~ **subdivision** must be transferred to the Springs Valley Community School Corporation.

~~(E)~~ **(5)** 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).~~ **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:**

(A) Job creation and retention.

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

(C) Housing.

(D) Workforce training.

(E) Health care.

(F) Local planning.

(G) Land use.

(H) Assistance to regional economic development groups.
(I) Other regional development issues as determined by the Indiana economic development corporation.

(d) ~~With respect~~ **This subsection applies** to tax revenue collected from a riverboat that operates from ~~a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000),~~ **Lake County. Except as provided by IC 6-3.1-20-7 (before its expiration on January 1, 2017),** the ~~treasurer~~ **auditor** of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), 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 **preceding calendar** quarter; ~~that has implemented flexible scheduling under IC 4-33-6-21;~~

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

(2) Except as provided in subsection (k), 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 **preceding calendar** quarter; ~~that has implemented flexible scheduling under IC 4-33-6-21;~~

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

(3) Except as provided in subsection (k), nine cents ($0.09) 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 **preceding calendar** 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.~~ **located.**

(4) Except as provided in subsection (k), one cent ($0.01) 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 **preceding calendar** quarter ~~that has implemented flexible scheduling under IC 4-33-6-21;~~

shall be paid to the northwest Indiana law enforcement training center.

(5) Except as provided in subsection (k), 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~~ **the preceding calendar** 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.

(6) Except as provided in subsection (k), 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 **preceding calendar** 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.

(7) ~~Except as provided in subsection (k),~~ 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 **preceding calendar** quarter ~~that has implemented flexible scheduling under IC 4-33-6-21~~ shall be paid to the state general fund.

(e) Money paid to a unit of local government under subsection (b), (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) Money paid by the ~~treasurer~~ **auditor** of state under subsection (b)(3) or (d)(3) 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) Money received by the division of mental health and addiction under subsections (b)(5) and (d)(6):

(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) 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)(1) through (d)(2).

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

The ~~treasurer~~ **auditor** of state shall determine the total amount of money paid by the ~~treasurer~~ **auditor** 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~~ **auditor** of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4). The ~~treasurer~~ **auditor** of state shall determine the total amount of money paid by the ~~treasurer~~ **auditor** of state to the entity described in subsection (d)(3) 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)(3). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The ~~treasurer~~ **auditor** of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) This subsection does not apply to an entity receiving money under subsection (c). 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) or (i). If the ~~treasurer~~ **auditor** of state determines that the total amount of money distributed to an entity under this section during a state fiscal year is less than the entity's base year revenue, the ~~treasurer~~ **auditor** of state shall make a supplemental distribution to the entity under IC 4-33-13-5.

(k) This subsection does not apply to an entity receiving money under subsection (c). The ~~treasurer~~ **auditor** 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 17. IC 4-33-12 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. (Admission Taxes).

SECTION 18. IC 4-33-12.5 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. (Distribution of Admissions Tax Revenue to Certain Municipalities).

SECTION 19. IC 4-33-13-1, AS AMENDED BY P.L.229-2013, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) This section does not apply to a riverboat that has implemented flexible scheduling under IC 4-33-6-21.

(b) Subject to section 1.5(j) of this chapter, a tax is imposed on the adjusted gross receipts received from gambling games authorized under this article at the rate of twenty-two and five-tenths percent (22.5%) of the amount of the adjusted gross receipts.

(c) The licensed owner shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

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

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

(f) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12 **(before its repeal on January 1, 2017).**

SECTION 20. IC 4-33-13-1.5, AS AMENDED BY P.L.229-2013, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1.5. (a) This section applies only to:

(1) a riverboat that has implemented flexible scheduling under IC 4-33-6-21 or IC 4-33-6.5; **and**

(2) adjusted gross receipts received from wagering on gambling games before January 1, 2017.

(b) This subsection applies only to a riverboat that received at least seventy-five million dollars ($75,000,000) of adjusted gross receipts during the preceding state fiscal year. A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) Fifteen percent (15%) of the first twenty-five million dollars ($25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) Twenty percent (20%) of the adjusted gross receipts in excess of twenty-five million dollars ($25,000,000) but not exceeding fifty million dollars ($50,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(3) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars ($50,000,000) but not exceeding seventy-five million dollars ($75,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(4) Thirty percent (30%) of the adjusted gross receipts in excess of seventy-five million dollars ($75,000,000) but not exceeding one hundred fifty million dollars ($150,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(5) Thirty-five percent (35%) of all adjusted gross receipts in excess of one hundred fifty million dollars ($150,000,000) but not exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(6) Forty percent (40%) of all adjusted gross receipts exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(c) This subsection applies only to a riverboat that received less than seventy-five million dollars ($75,000,000) of adjusted gross receipts during the preceding state fiscal year. A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) Five percent (5%) of the first twenty-five million dollars ($25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) Twenty percent (20%) of the adjusted gross receipts in excess of twenty-five million dollars ($25,000,000) but not exceeding fifty million dollars ($50,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(3) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars ($50,000,000) but not exceeding seventy-five million dollars ($75,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(4) Thirty percent (30%) of the adjusted gross receipts in excess of seventy-five million dollars ($75,000,000) but not exceeding one hundred fifty million dollars ($150,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(5) Thirty-five percent (35%) of all adjusted gross receipts in excess of one hundred fifty million dollars ($150,000,000) but not exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(6) Forty percent (40%) of all adjusted gross receipts exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(d) The licensed owner or operating agent of a riverboat taxed under subsection (c) shall pay an additional tax of two million five hundred thousand dollars ($2,500,000) in any state fiscal year in which the riverboat's adjusted gross receipts exceed seventy-five million dollars ($75,000,000). The additional tax imposed under this subsection is due before July 1 of the following state fiscal year.

(e) The licensed owner or operating agent shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

(f) 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)).

(g) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner or operating agent to file a monthly report to reconcile

the amounts remitted to the department.

(h) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12 **(before its repeal on January 1, 2017).**

(i) If a riverboat implements flexible scheduling during any part of a period beginning July 1 of each year and ending June 30 of the following year, the tax rate imposed on the adjusted gross receipts received while the riverboat implements flexible scheduling shall be computed as if the riverboat had engaged in flexible scheduling during the entire period beginning July 1 of each year and ending June 30 of the following year.

(j) If a riverboat:

(1) implements flexible scheduling during any part of a period beginning July 1 of each year and ending June 30 of the following year; and

(2) before the end of that period ceases to operate the riverboat with flexible scheduling;

the riverboat shall continue to pay a wagering tax at the tax rates imposed under subsection (b) until the end of that period as if the riverboat had not ceased to conduct flexible scheduling.

SECTION 21. 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:**

(1) a riverboat that has implemented flexible scheduling under IC 4-33-6-21 or IC 4-33-6.5; and

(2) adjusted gross receipts received from wagering on gambling games after December 31, 2016.

(b) A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) Zero percent (0%) of the first ten million dollars ($10,000,000) of adjusted gross receipts received during a calendar year.

(2) Five percent (5%) of the adjusted gross receipts in excess of ten million dollars ($10,000,000) but not exceeding twenty million dollars ($20,000,000) received during a calendar year.

(3) Ten percent (10%) of the adjusted gross receipts in excess of twenty million dollars ($20,000,000) but not exceeding thirty million dollars ($30,000,000) received during a calendar year.

(4) Fifteen percent (15%) of the adjusted gross receipts in

excess of thirty million dollars ($30,000,000) but not exceeding forty million dollars ($40,000,000) received during a calendar year.

(5) Twenty percent (20%) of the adjusted gross receipts in excess of forty million dollars ($40,000,000) but not exceeding fifty million dollars ($50,000,000) received during a calendar year.

(6) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars ($50,000,000) but not exceeding sixty million dollars ($60,000,000) received during a calendar year.

(7) Thirty percent (30%) of the adjusted gross receipts in excess of sixty million dollars ($60,000,000) but not exceeding one hundred million dollars ($100,000,000) received during a calendar year.

(8) Thirty-five percent (35%) of the adjusted gross receipts in excess of one hundred million dollars ($100,000,000) but not exceeding three hundred million dollars ($300,000,000) received during a calendar year.

(9) Forty percent (40%) of all adjusted gross receipts exceeding three hundred million dollars ($300,000,000) received during a calendar year.

(c) The licensed owner or operating agent shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made. The department shall prescribe a form for remitting taxes under this section.

(d) 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)).

(e) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner or operating agent to file a monthly report to reconcile the amounts remitted to the department.

SECTION 22. IC 4-33-13-5, AS AMENDED BY P.L.2-2014, SECTION 8, 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~~ **auditor** of state shall distribute the tax revenue deposited in the state gaming fund under this chapter ~~to the following:~~ **as follows:**

(1) The first two million dollars ($2,000,000) of tax revenues

collected under this chapter in a calendar year beginning after December 31, 2016, must be distributed to the division of mental health and addiction for the division's use under section 8 of this chapter.

(2) The next six million dollars ($6,000,000) of tax revenues collected under this chapter in a calendar year beginning after December 31, 2016, must be distributed to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-13-3.

~~(1)~~ **(3)** ~~The first thirty-three million dollars ($33,000,000) of tax revenues collected under this chapter~~ **The following amounts** shall be set aside for revenue sharing under subsection (e):

(A) The first thirty-three million dollars ($33,000,000) of tax revenues collected under this chapter in a state fiscal year ending before July 1, 2017.

(B) The first forty million dollars ($40,000,000) of tax revenues collected under this chapter in a state fiscal year beginning after June 30, 2017.

~~(2)~~ **(4)** Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid **each month:**

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

~~(i) a city described in IC 4-33-12-6(b)(1)(A);~~ **a riverboat located in Dearborn County, Lake County, LaPorte County, Ohio County, or Vanderburgh County;** 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).~~ **in which the riverboat is located, in the case of a riverboat located in Harrison County or Switzerland County.**

~~(3)~~ **(5)** Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid **each month** to the state general fund. In each state fiscal year, the ~~treasurer~~ **auditor** 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~~ **auditor** 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 funds are appropriated under section 4 of this chapter, each month the ~~treasurer~~ **auditor** 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%) 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.

(c) For each city and county receiving money under subsection ~~(a)(2),~~ **(a)(4),** the ~~treasurer~~ **auditor** of state shall determine the total amount of money paid by the ~~treasurer~~ **auditor** 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~~ **auditor** 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~~ **auditor** 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~~ **auditor** of state shall transfer from the tax revenue remitted to the state general fund under subsection ~~(a)(3)~~ **(a)(5)** 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~~ **auditor** 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)~~ **(a)(5)** to comply with this subsection, the ~~treasurer~~ **auditor** 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)~~ **(a)(5)** for the state fiscal year.

(e) Before August 15 of ~~each year,~~ **a calendar year ending before January 1, 2017,** the ~~treasurer~~ **auditor** of state shall distribute the wagering taxes set aside for revenue sharing under subsection ~~(a)(1)~~ **(a)(3)** 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. **Before August 15 of a calendar year beginning after December 31, 2016, the auditor of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(3) to the county treasurer of each county according to the ratio that the county's population bears to the total population of Indiana.** Except as provided in subsection ~~(h),~~ **(g),** 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)~~ **(g)** 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(c). 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 during the preceding state fiscal year under IC 4-33-12-6; plus~~

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

~~(h)~~ **(g)** 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.~~

SECTION 23. 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.~~ **2018.**

(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.~~ **2018.**

SECTION 24. IC 4-33-13-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 8. (a) This section applies to wagering taxes collected**

under this chapter with respect to adjusted gross receipts received after December 31, 2016.

(b) The division of mental health and addiction shall allocate at least twenty-five percent (25%) of the funds received under section 5 of this chapter to the prevention and treatment of compulsive gambling.

(c) Money received by the division of mental health and addiction under section 5 of this chapter:

(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.

SECTION 25. 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 26. IC 4-33-21-7, AS AMENDED BY P.L.229-2013, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) A trustee acting under the authority of this chapter must fulfill the trustee's duties as a fiduciary for the owner of the riverboat. In addition, the trustee shall consider the effect of the trustee's actions upon:

(1) the amount of taxes remitted by the trustee under IC 4-33-12 **(before its repeal on January 1, 2017)** and IC 4-33-13;

(2) the city and county in which the riverboat is located;

(3) the riverboat's employees; and

(4) the creditors of the owner of the riverboat.

(b) In balancing the interests described in subsection (a), a trustee shall conduct gambling operations on the riverboat in a manner that enhances the credibility and integrity of riverboat gambling in Indiana while minimizing disruptions to tax revenues, incentive payments,

employment, and credit obligations.

SECTION 27. IC 4-33-23-18 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 18. (a) This section does not apply to a development agreement that was negotiated and made after June 30, 2010.**

(b) Except as provided in subsection (a), a development agreement in effect on July 1, 2015, is void on December 31, 2016.

(c) Except as provided in subsection (d), the executive of the city and the executive of the county in which a riverboat is located may jointly renegotiate a new development agreement with a development provider to replace a development agreement that is subject to being voided under subsection (b). A replacement development agreement must take effect on January 1, 2017. The negotiations authorized by this subsection are subject to subsection (e).

(d) This subsection applies to Harrison County and Switzerland County. In a county subject to this subsection, the executive of the county is the only entity that may renegotiate a new development agreement with a development provider to replace a development agreement that is subject to being voided under subsection (b). A replacement development agreement must take effect on January 1, 2017. The negotiations authorized by this subsection are subject to subsection (e).

(e) If a city or county and a development provider are unable to agree to a new development agreement before September 1, 2016, the city or county and the development provider shall submit the matter to the commission for arbitration. The commission shall determine the amount of the annual local development fee that the city or county is entitled to receive under this section. The local development fee:

(1) must be at least two percent (2%) of the adjusted gross receipts received by the development provider's riverboat in the previous calendar year; but

(2) may not exceed seven percent (7%) of the adjusted gross receipts received by the development provider's riverboat in the previous calendar year.

(f) Beginning in 2017, a local development fee paid under this section is payable in two (2) equal installments on June 1 and December 1 of each year.

(g) Local development fees paid under this section:

(1) are considered economic development payments for

purposes of this chapter;

(2) must be used for economic development purposes; and

(3) are subject to regulation by the commission under this chapter.

SECTION 28. IC 4-33-24 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 24. Homestead Property Tax Relief Fee

Sec. 1. This chapter applies only to a riverboat located in Lake County.

Sec. 2. After December 31, 2016, a homestead property tax relief fee is imposed on the adjusted gross receipts from gambling games authorized under this article at the rate of one and one-tenth percent (1.1%).

Sec. 3. (a) The licensed owner of each riverboat located in Lake County shall remit the homestead property tax relief fee imposed by section 2 of this chapter to the department before the close of the business day following the day the wagers are made.

(b) 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)).

(c) If the department requires the homestead property tax relief fee to be remitted under this section through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amounts remitted to the department.

Sec. 4. The auditor of state shall deposit the fees remitted under this chapter in a separate fund known as the homestead property tax relief fund. Except as provided in IC 6-3.1-20-8(d), money in the fund must be used to offset the amount of foregone adjusted gross income tax revenue attributable to the income tax credit provided under IC 6-3.1-20.

SECTION 29. 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 30. 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 31. 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 32. 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 33. 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 34. IC 4-35-4-12, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 12. (a) The commission shall require a licensee to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 **(before its repeal on January 1, 2017) or IC 4-33-13-8** in the following locations:

(1) On each admission ticket to a facility at which gambling games are conducted, if tickets are issued.

(2) On a poster or placard that is on display in a public area of each facility at which gambling games at racetracks are conducted.

(b) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

SECTION 35. 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 36. 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 37. 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 38. 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 39. 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 40. 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 41. 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 42. 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 43. 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 44. 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 45. 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 46. 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 47. 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 48. IC 4-35-7-12, AS AMENDED BY P.L.210-2013, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 12. (a) The Indiana horse racing commission shall enforce the requirements of this section.

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

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

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

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

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

other purpose of the Indiana horse racing commission.

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

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

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

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

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

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

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

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

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

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

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

(B) Forty percent (40%) to the breed development fund established for thoroughbreds under IC 4-31-11-10.

(2) Forty-six percent (46%) for standardbred purposes as follows:

(A) Three hundred seventy-five thousand dollars ($375,000) to the state fair commission to be used by the state fair commission to support standardbred racing and facilities at the state fairgrounds.

(B) One hundred twenty-five thousand dollars ($125,000) to the state fair commission to be used by the state fair commission to make grants to county fairs to support standardbred racing and facilities at county fair tracks. The state fair commission shall establish a review committee to include the standardbred association board, the Indiana horse racing commission, and the Indiana county fair association to make recommendations to the state fair commission on grants

under this clause.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) issue a warning to the licensee;

(2) impose a civil penalty that may not exceed one million dollars ($1,000,000); or

(3) suspend a meeting permit issued under IC 4-31-5 to conduct a pari-mutuel wagering horse racing meeting in Indiana.

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

SECTION 49. IC 4-35-7-16, AS ADDED BY P.L.210-2013, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 16. (a) The amount of ~~slot machine~~ **gambling game** revenue that must be distributed under section 12(b)(2) of this chapter must be determined in a distribution agreement entered into by negotiation committees representing all licensees and the horsemen's associations having contracts with licensees that have been approved by the Indiana horse racing commission.

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

horsemen's associations.

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

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

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

(1) must be in writing;

(2) must be submitted to the Indiana horse racing commission before October 1, 2013;

(3) must be approved by the Indiana horse racing commission before January 1, 2014; and

(4) may contain any terms determined to be necessary and appropriate by the negotiation committees, subject to subsection (f) and section 12 of this chapter.

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

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

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

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

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

SECTION 50. IC 4-35-7-19 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 19. (a) For purposes of this section, "electronic table games" means:**

(1) baccarat;

(2) blackjack;

(3) poker;

(4) craps; or

(5) roulette;

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

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

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

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

(3) may have a number of table games equal only to fifty percent (50%) of the electronic table games the licensee had in operation on February 1, 2015.

SECTION 51. 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) **This section applies to adjusted gross receipts received from slot machines before January 1, 2017.** 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, from wagering on ~~gambling games~~ **slot machines** 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 52. IC 4-35-8-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 1.5. (a) This section applies to adjusted gross receipts received from wagering on gambling games after December 31, 2016.**

(b) A graduated tax is imposed on ninety-one and five-tenths percent (91.5%) of the adjusted gross receipts received from gambling games authorized by this article as follows:

(1) Zero percent (0%) of the first ten million dollars ($10,000,000) of adjusted gross receipts received during a calendar year.

(2) Five percent (5%) of the adjusted gross receipts in excess of ten million dollars ($10,000,000) but not exceeding twenty million dollars ($20,000,000) received during a calendar year.

(3) Ten percent (10%) of the adjusted gross receipts in excess of twenty million dollars ($20,000,000) but not exceeding thirty million dollars ($30,000,000) received during a calendar year.

(4) Fifteen percent (15%) of the adjusted gross receipts in excess of thirty million dollars ($30,000,000) but not exceeding forty million dollars ($40,000,000) received during a calendar year.

(5) Twenty percent (20%) of the adjusted gross receipts in excess of forty million dollars ($40,000,000) but not exceeding fifty million dollars ($50,000,000) received during a calendar year.

(6) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars ($50,000,000) but not exceeding sixty million dollars ($60,000,000) received during a calendar year.

(7) Thirty percent (30%) of the adjusted gross receipts in excess of sixty million dollars ($60,000,000) but not exceeding one hundred million dollars ($100,000,000) received during a calendar year.

(8) Thirty-five percent (35%) of the adjusted gross receipts in excess of one hundred million dollars ($100,000,000) but not exceeding three hundred million dollars ($300,000,000) received during a calendar year.

(9) Forty percent (40%) of all adjusted gross receipts exceeding three hundred million dollars ($300,000,000) received during a calendar year.

(c) 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.

(d) 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)).

(e) 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.

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

SECTION 53. 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.~~ **2018.**

(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.~~ **2018.**

(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.

SECTION 54. IC 4-35-8.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 8.1. Taxation of Table Game Wagering

Sec. 1. This chapter applies to wagers made on table games before January 1, 2017. After December 31, 2016, wagering on table games is subject to taxation under IC 4-35-8.

Sec. 2. A graduated tax is imposed on ninety-one and one-half percent (91.5%) of the adjusted gross receipts received from table games authorized under this article as follows:

(1) Fifteen percent (15%) of the first twenty-five million dollars ($25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) Twenty percent (20%) of the adjusted gross receipts exceeding twenty-five million dollars ($25,000,000) but not exceeding fifty million dollars ($50,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(3) Twenty-five percent (25%) of the adjusted gross receipts exceeding fifty million dollars ($50,000,000) but not exceeding seventy-five million dollars ($75,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(4) Thirty percent (30%) of the adjusted gross receipts exceeding seventy-five million dollars ($75,000,000) but not exceeding one hundred fifty million dollars ($150,000,000)

received during the period beginning July 1 of each year and ending June 30 of the following year.

(5) Thirty-five percent (35%) of the adjusted gross receipts exceeding one hundred fifty million dollars ($150,000,000) but not exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(6) Forty percent (40%) of the adjusted gross receipts exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

Sec. 3. A licensee shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

Sec. 4. (a) 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)).

(b) 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.

Sec. 5. A licensee shall pay the tax imposed by this section on a form prescribed by the department.

Sec. 6. The department shall deposit tax revenue collected under section 2 of this chapter in the state general fund.

Sec. 7. This chapter expires July 1, 2017.

SECTION 55. 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 56. 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 57. 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 58. 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 59. 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 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 60. 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 61. 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 62. 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 63. 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 64. 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 65. 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 66. 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 67. IC 6-1.1-4-31.5, AS AMENDED BY P.L.112-2012, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 31.5. (a) As used in this section, "department" refers to the department of local government finance.

(b) If the department makes a determination and informs local officials under section 31(c) of this chapter, the department may order a state conducted assessment or reassessment in the county subject to the time limitation in that subsection.

(c) If the department orders a state conducted assessment or reassessment in a county, the department shall assume the duties of the county assessor. Notwithstanding sections 15 and 17 of this chapter, a county assessor subject to an order issued under this section may not assess property or have property assessed for the assessment or general reassessment under section 4 of this chapter or under a county's reassessment plan prepared under section 4.2 of this chapter. Until the state conducted assessment or reassessment is completed under this section, the assessment or reassessment duties of the county assessor are limited to providing the department or a contractor of the department the support and information requested by the department or the contractor.

(d) Before assuming the duties of a county assessor, the department shall transmit a copy of the department's order requiring a state conducted assessment or reassessment to the county assessor, the county fiscal body, the county auditor, and the county treasurer. Notice of the department's actions must be published one (1) time in a newspaper of general circulation published in the county. The department is not required to conduct a public hearing before taking action under this section.

(e) A county assessor subject to an order issued under this section shall, at the request of the department or the department's contractor, make available and provide access to all:

(1) data;

(2) records;

(3) maps;

(4) parcel record cards;

(5) forms;
(6) computer software systems;
(7) computer hardware systems; and
(8) other information;

related to the assessment or reassessment of real property in the county. The information described in this subsection must be provided at no cost to the department or the contractor of the department. A failure to provide information requested under this subsection constitutes a failure to perform a duty related to an assessment or a general reassessment under section 4 of this chapter or under a county's reassessment plan prepared under section 4.2 of this chapter and is subject to IC 6-1.1-37-2.

(f) The department may enter into a contract with a professional appraising firm to conduct an assessment or reassessment under this section. If a county entered into a contract with a professional appraising firm to conduct the county's assessment or reassessment before the department orders a state conducted assessment or reassessment in the county under this section, the contract:

(1) is as valid as if it had been entered into by the department; and
(2) shall be treated as the contract of the department.

(g) After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (f), the department shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment. The notice of assessment or reassessment:

(1) is subject to appeal by the taxpayer under section 31.7 of this chapter; and
(2) must include a statement of the taxpayer's rights under section 31.7 of this chapter.

(h) The department shall forward a bill for services provided under a contract described in subsection (f) to the auditor of the county in which the state conducted reassessment occurs. The county shall pay the bill under the procedures prescribed by subsection (i).

(i) A county subject to an order issued under this section shall pay the cost of a contract described in subsection (f), without appropriation, from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under the contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

(1) submits to the department a fully itemized, certified bill in the form required by IC 5-11-10-1 for the costs of the work performed

under the contract;

(2) obtains from the department:

(A) approval of the form and amount of the bill; and

(B) a certification that the billed goods and services have been received and comply with the contract; and

(3) files with the county auditor:

(A) a duplicate copy of the bill submitted to the department;

(B) proof of the department's approval of the form and amount of the bill; and

(C) the department's certification that the billed goods and services have been received and comply with the contract.

The department's approval and certification of a bill under subdivision (2) shall be treated as conclusively resolving the merits of a contractor's claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit and submit the claim to the county executive. The county executive shall allow the claim, in full, as approved by the department, without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after the date the claim is certified by the county fiscal officer if the procedures in IC 5-11-10-2 are used to approve the claim or the date the claim is placed on the claim docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are used to approve the claim. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department. Compliance with this subsection constitutes compliance with IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

(j) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department entered into under this section:

(1) The commissioner of the Indiana department of administration.

(2) The director of the budget agency.

(3) The attorney general.

(k) If money in the county's property reassessment fund is insufficient to pay for an assessment or reassessment conducted under this section, the department may increase the tax rate and tax levy of

the county's property reassessment fund to pay the cost and expenses related to the assessment or reassessment.

(l) The department or the contractor of the department shall use the land values determined under section 13.6 of this chapter for a county subject to an order issued under this section to the extent that the department or the contractor finds that the land values reflect the true tax value of land, as determined under this article and the rules of the department. If the department or the contractor finds that the land values determined for the county under section 13.6 of this chapter do not reflect the true tax value of land, the department or the contractor shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The department or the contractor of the department shall notify the county's assessing officials of the land values determined under this subsection.

(m) A contractor of the department may notify the department if:

(1) a county auditor fails to:

(A) certify the contractor's bill;

(B) publish the contractor's claim;

(C) submit the contractor's claim to the county executive; or

(D) issue a warrant or check for payment of the contractor's bill;

as required by subsection (i) at the county auditor's first legal opportunity to do so;

(2) a county executive fails to allow the contractor's claim as legally required by subsection (i) at the county executive's first legal opportunity to do so; or

(3) a person or an entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts progress under this section for payment of the contractor's bill.

(n) The department, upon receiving notice under subsection (m) from a contractor of the department, shall:

(1) verify the accuracy of the contractor's assertion in the notice that:

(A) a failure occurred as described in subsection (m)(1) or (m)(2); or

(B) a person or an entity acted or failed to act as described in subsection (m)(3); and

(2) provide to the treasurer of state the department's approval

under subsection (i)(2)(A) of the contractor's bill with respect to which the contractor gave notice under subsection (m).

(o) Upon receipt of the department's approval of a contractor's bill under subsection (n), the treasurer of state shall pay the contractor the amount of the bill approved by the department from money in the possession of the state that would otherwise be available for distribution to the county, including distributions of admissions taxes or wagering taxes.

(p) The treasurer of state shall withhold from the money that would be distributed under IC 4-33-12-6 **(before its repeal on January 1, 2017),** IC 4-33-13-5, or any other law to a county described in a notice provided under subsection (m) the amount of a payment made by the treasurer of state to the contractor of the department under subsection (o). Money shall be withheld from any source payable to the county.

(q) Compliance with subsections (m) through (p) constitutes compliance with IC 5-11-10.

(r) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (m) through (p). This subsection and subsections (m) through (p) must be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county subject to this section are paid. Nothing in this section shall be construed to create a debt of the state.

(s) The provisions of this section are severable as provided in IC 1-1-1-8(b).

SECTION 68. IC 6-3.1-20-7, AS AMENDED BY P.L.166-2014, SECTION 25, 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)(2); 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)(1) 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.

(e) This section expires January 1, 2017.

SECTION 69. IC 6-3.1-20-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 8. (a) This section applies to a calendar year beginning after December 31, 2016.**

(b) 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.

(c) The auditor of state shall transfer the amount determined under subsection (b)(2) from the homestead property tax relief fund established under IC 4-33-24-4 to the state general fund.

(d) If the amount determined by the department under subsection (b)(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 (b)(2);
must be transferred from the homestead property tax relief fund 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 must be used by the northwest Indiana regional development authority only to establish or improve public mass rail transportation systems in Lake County.

SECTION 70. IC 6-3.1-35 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]:

Chapter 35. Indiana Gaming Investment Tax Credit

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

(1) A riverboat.

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

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

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

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

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

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

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

(1) is made by a licensed owner, an operating agent, or a permit holder;

(2) exceeds two million dollars ($2,000,000);

(3) subject to section 12(d) of this chapter, is made for:

(A) onsite infrastructure improvements for the property on which a gaming facility is located;

(B) construction of a gaming facility or other buildings or improvements on the property on which a gaming facility is located;

(C) rehabilitation, alteration, or major repair of a gaming facility or of existing buildings or improvements on the property on which a gaming facility is located; or

(D) installation of fixtures and equipment (other than fixtures or equipment directly related to gaming) in a gaming facility or in another building or improvements on

the property on which a gaming facility is located; and

(4) is made after December 31, 2015, and before January 1, 2021; and

(5) is approved by the Indiana economic development corporation under section 12 of this chapter as a qualified capital investment.

Sec. 7. As used in this chapter, "riverboat" has the meaning set forth in IC 4-33-2-17.

Sec. 8. As used in this chapter, "state income tax liability" means a taxpayer's total tax liability that is incurred under IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax), as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 9. (a) A taxpayer that:

(1) is a licensed owner, an operating agent, or a permit holder; and

(2) makes a qualified capital investment during a taxable year;

is entitled to a credit against the taxpayer's state income tax liability for that taxable year.

(b) The amount of the credit to which a taxpayer is entitled is equal to ten percent (10%) multiplied by the qualified capital investment made by the taxpayer during the taxable year.

Sec. 10. (a) If the amount determined under section 9(b) of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state income tax liability for that taxable year, the taxpayer may carry the excess over to the following nine (9) taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

(c) A taxpayer is not entitled to a credit under this chapter for a qualified capital investment if the taxpayer claims any other state tax credit for that same qualified capital investment.

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

Sec. 12. (a) To be entitled to a credit under this chapter, a taxpayer must request the Indiana economic development corporation to determine whether costs incurred are qualified

capital investments as required by this chapter.

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

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

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

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

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

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

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

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

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

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

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

The credit provided under this section is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the same qualified capital investment.

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

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

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

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

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

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

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

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

SECTION 71. IC 6-8.1-1-1, AS AMENDED BY P.L.220-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat admissions tax (IC 4-33-12) **(before its repeal on January 1, 2017);** the riverboat wagering tax (IC 4-33-13); the slot machine wagering tax (IC 4-35-8); **the table game wagering tax (IC 4-35-8.1);** the type II gambling game excise tax (IC 4-36-9); the gross income tax (IC 6-2.1) (repealed); the utility receipts and utility services use taxes (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the aviation fuel excise tax (IC 6-6-13);

the commercial vehicle excise tax (IC 6-6-5.5); the excise tax imposed on recreational vehicles and truck campers (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6) (repealed); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the regional transportation improvement income tax (IC 8-24-17); the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); and any other tax or fee that the department is required to collect or administer.

SECTION 72. IC 6-9-2-4.3, AS AMENDED BY P.L.172-2011, SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4.3. (a) The Lake County convention and visitor bureau shall establish a convention, tourism, and visitor promotion alternate revenue fund (referred to in this chapter as the "alternate revenue fund"). The bureau may deposit in the alternate revenue fund all money received by the bureau after June 30, 2005, that is not required to be deposited in the promotion fund under section 2 of this chapter or a fund established by the bureau, including appropriations, gifts, grants, membership dues, and contributions from any public or private source.

(b) The bureau may, without appropriation by the county council, expend money from the alternate revenue fund to promote and encourage conventions, trade shows, visitors, special events, sporting events, and exhibitions in the county. Money may be paid from the alternate revenue fund by claim in the same manner as municipalities may pay claims under IC 5-11-10-1.6.

(c) All money in the alternate revenue fund shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money in the alternate revenue fund is subject to audit and supervision by the state board of accounts.

(d) Money derived from the taxes imposed under IC 4-33-12 **(before its repeal on January 1, 2017)** and IC 4-33-13 may not be transferred to the alternate revenue fund.

SECTION 73. IC 7.1-3-17.5-7, AS ADDED BY P.L.15-2011, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2015]: Sec. 7. (a) As used in this section, "gaming facility" refers to one (1) or more of the following:

(1) A riverboat (as defined in IC 4-33-2-17).

(2) A ~~slot machine~~ **gambling game** facility licensed under IC 4-35.

(3) Any hotel, golf course, or other facility that is:

(A) owned by a person holding a gaming site permit; and

(B) related to the operation of the holder's riverboat or ~~slot machine~~ **gambling game** facility.

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

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

(1) The server is employed by a person who:

(A) leases space at a gaming facility for the purpose of providing food or beverages to the patrons of the gaming facility; or

(B) is a caterer or other person contracted to provide food or beverages at an event held at the gaming facility.

(2) The server holds a valid employee permit issued under IC 7.1-3-18-9.

(d) A server who serves alcoholic beverages in a gaming area (as defined in the rules adopted by the Indiana gaming commission) must be employed by a person holding a gaming site permit.

SECTION 74. IC 7.1-3-17.7-1, AS AMENDED BY P.L.233-2007, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) Except as provided in subsection (c), the commission may issue a horse track permit to a person who has been issued a recognized meeting permit under IC 4-31-5 to sell alcoholic beverages for on-premises consumption only. The permit may be a single permit even though more than one (1) area constitutes the licensed premises of the permit.

(b) The commission may issue a satellite facility permit to a person who has been issued a satellite facility license under IC 4-31-5.5 to sell alcoholic beverages for on-premises consumption only.

(c) This chapter does not apply to a ~~slot machine~~ **gambling game** facility licensed under IC 4-35.

SECTION 75. IC 8-18-8-5, AS AMENDED BY P.L.30-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. All expenses incurred in the maintenance of county highways shall first be paid out of funds from the gasoline tax,

special fuel tax, and the motor vehicle registration fees that are paid to the counties by the state. In addition, a county may use funds derived from the:

(1) county motor vehicle excise surtax;
(2) county wheel tax;
(3) county adjusted gross income tax;
(4) county option income tax;
(5) riverboat admission tax (IC 4-33-12) **(before its repeal on January 1, 2017);**
(6) riverboat wagering tax (IC 4-33-13); or
(7) property taxes and miscellaneous revenue deposited in the county general fund.

SECTION 76. IC 12-23-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. The addiction services fund is established for the deposit of **the following:**

(1) Excise taxes on alcoholic beverages as described in IC 7.1-4-11. ~~and~~
(2) Taxes on riverboat admissions under IC 4-33-12-6 **(before its repeal on January 1, 2017).**
(3) Riverboat wagering taxes received after December 31, 2016, under IC 4-33-13-5.

SECTION 77. 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(g)(3) **(before its repeal on January 1, 2017) or IC 4-33-13-8** to provide the public with information about programs that provide help with gambling, alcohol, and drug addiction problems.

SECTION 78. IC 12-23-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) For each state fiscal year, the division may not spend more than an amount equal to five percent (5%) of the total amount received by the division from the fund established under section 2 of this chapter for the administrative costs associated with the use of money received from the fund.

(b) The division shall allocate at least twenty-five percent (25%) of the funds derived from the riverboat admissions tax under IC 4-33-12-6 **(before its repeal on January 1, 2017) or the riverboat wagering tax under IC 4-33-13-5** to the prevention and treatment of compulsive gambling.

(c) The division shall reimburse the Indiana gaming commission for the costs incurred in administering a voluntary exclusion program established under the rules of the Indiana gaming commission. The division shall pay the reimbursement from funds derived from the riverboat ~~admissions~~ tax under IC 4-33-12-6 **(before its repeal on January 1, 2017) or the riverboat wagering tax under IC 4-33-13-5.**

SECTION 79. IC 20-26-5-22.5, AS ADDED BY P.L.214-2005, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 22.5. (a) A school corporation may participate in the establishment of a public school foundation.

(b) The governing body of a school corporation may receive the proceeds of a grant, a restricted gift, an unrestricted gift, a donation, an endowment, a bequest, a trust, an agreement to share tax revenue received by a city or county under IC 4-33-12-6 **(before its repeal on January 1, 2017)** or IC 4-33-13 or other funds not generated from taxes levied by the school corporation to create a foundation under the following conditions:

(1) The foundation is:

(A) exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and

(B) organized as an Indiana nonprofit corporation for the purposes of providing educational funds for scholarships, teacher education, capital programs, and special programs for school corporations.

(2) Except as provided in subdivision (3), the foundation retains all rights to a donation, including investment powers. The foundation may hold a donation as a permanent endowment.

(3) The foundation agrees to do the following:

(A) Distribute the income from a donation only to the school corporation.

(B) Return a donation to the general fund of the school corporation if the foundation:

(i) loses the foundation's status as a foundation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code;

(ii) is liquidated; or

(iii) violates any condition set forth in this subdivision.

(c) A school corporation may use the proceeds received under this section from a foundation only for educational purposes of the school corporation described in subsection (b)(1)(B).

(d) The governing body of the school corporation may appoint members to the foundation.

(e) The treasurer of the governing body of the school corporation may serve as the treasurer of the foundation.

SECTION 80. IC 20-47-1-1, AS ADDED BY P.L.2-2006, SECTION 170, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. As used in this chapter, "proceeds from riverboat gaming" means tax revenue received by a political subdivision under IC 4-33-12-6 **(before its repeal on January 1, 2017),** IC 4-33-13, or an agreement to share a city's or county's part of the tax revenue.

SECTION 81. IC 20-47-1-5, AS AMENDED BY P.L.142-2009, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) The governing body of a school corporation may donate the proceeds of a grant, a gift, a donation, an endowment, a bequest, a trust, an agreement to share tax revenue received by a city or county under IC 4-33-12-6 **(before its repeal on January 1, 2017)** or IC 4-33-13 or an agreement to share revenue received by a political subdivision under IC 4-35-8.5, or other funds not generated from taxes levied by the school corporation, to a foundation under the following conditions:

(1) The foundation is a charitable nonprofit community foundation.

(2) The foundation retains all rights to the donation, including investment powers, except as provided in subdivision (3).

(3) The foundation agrees to do the following:

(A) Hold the donation as a permanent endowment.

(B) Distribute the income from the donation only to the school corporation as directed by resolution of the governing body of the school corporation.

(C) Return the donation to the general fund of the school corporation if the foundation:

(i) loses the foundation's status as a public charitable organization;

(ii) is liquidated; or

(iii) violates any condition of the endowment set by the governing body of the school corporation.

(b) A school corporation may use income received under this section from a community foundation only for purposes of the school

corporation.

SECTION 82. IC 36-1-8-9, AS AMENDED BY P.L.199-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) Each unit that receives:

(1) tax revenue under IC 4-33-12-6 **(before its repeal on January 1, 2017)** or IC 4-33-13;

(2) revenue under an agreement to share the tax revenue received under IC 4-33-12 **(before its repeal on January 1, 2017)** or IC 4-33-13 by another unit; or

(3) revenue under a development agreement (as defined in section 9.5 of this chapter);

may establish a riverboat fund. Money in the fund may be used for any legal or corporate purpose of the unit.

(b) The riverboat fund established under subsection (a) shall be administered by the unit's treasurer, and the expenses of administering the fund shall be paid from money in the fund. Money in the fund not currently needed to meet the obligations of the fund may be invested in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund. Money in the fund at the end of a particular fiscal year does not revert to the unit's general fund.

SECTION 83. IC 36-1-14-1, AS AMENDED BY P.L.142-2009, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) This section does not apply to donations of gaming revenue to a public school endowment corporation under IC 20-47-1-3.

(b) As used in this section, "gaming revenue" means either of the following:

(1) Tax revenue received by a unit under IC 4-33-12-6 **(before its repeal on January 1, 2017),** IC 4-33-13, or an agreement to share a city's or county's part of the tax revenue.

(2) Revenue received by a unit under IC 4-35-8.5 or an agreement to share revenue received by another unit under IC 4-35-8.5.

(c) Notwithstanding IC 8-1.5-2-6(d), a unit may donate the proceeds from the sale of a utility or facility or from a grant, a gift, a donation, an endowment, a bequest, a trust, or gaming revenue to a foundation under the following conditions:

(1) The foundation is a charitable nonprofit community foundation.

(2) The foundation retains all rights to the donation, including investment powers.

(3) The foundation agrees to do the following:

(A) Hold the donation as a permanent endowment.
(B) Distribute the income from the donation only to the unit as directed by resolution of the fiscal body of the unit.
(C) Return the donation to the general fund of the unit if the foundation:
(i) loses the foundation's status as a public charitable organization;
(ii) is liquidated; or
(iii) violates any condition of the endowment set by the fiscal body of the unit.

SECTION 84. IC 36-7-11.5-11, AS AMENDED BY P.L.229-2011, SECTION 266, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: 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) **(before its repeal on January 1, 2017),** and IC 4-33-13-5(b).
(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) 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) 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).

SECTION 85. IC 36-7.5-4-16, AS ADDED BY P.L.214-2005, SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 16. (a) This section applies if:
(1) a city or county described in IC 36-7.5-2-3 fails to make a transfer or a part of a transfer required by section 2 of this chapter; and
(2) the development authority has bonds or other debt or lease obligations outstanding.

(b) The treasurer of state shall do the following:
(1) Deduct from amounts otherwise payable to the city or town under IC 4-33-12 **(before its repeal on January 1, 2017)** or IC 4-33-13 an amount equal to the amount of the transfer or part of the transfer under section 2 of this chapter that the city or county failed to make.
(2) Pay the amount deducted under subdivision (1) to the development authority.

SECTION 86. [EFFECTIVE JANUARY 1, 2016] **(a) IC 6-3.1-35, as added by this act, applies to taxable years beginning after December 31, 2015.**

(b) This SECTION expires July 1, 2017.

SECTION 87. [EFFECTIVE JULY 1, 2015] **(a) The general assembly recognizes that IC 4-33-12-6 is amended by this act effective July 1, 2015. The general assembly also recognizes that**

IC 4-33-12 is repealed by this act effective January 1, 2017. It is the intent of the general assembly to repeal IC 4-33-12 effective January 1, 2017.

(b) This SECTION expires July 1, 2017.

COMMITTEE REPORT

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

Page 1, delete lines 5 through 8.

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

Page 25, between lines 38 and 39, begin a new paragraph and insert:

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

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

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

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

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

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

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

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

(2) Two and five-tenths percent (2.5%) shall be transferred to horsemen's associations for backside benevolence according to

the ratios specified in subsection (g).

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

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

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

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

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

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

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

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

(B) Forty percent (40%) to the breed development fund established for thoroughbreds under IC 4-31-11-10.

(2) Forty-six percent (46%) for standardbred purposes as follows:

(A) Three hundred seventy-five thousand dollars ($375,000) to the state fair commission to be used by the state fair commission to support standardbred racing and facilities at the state fairgrounds.

(B) One hundred twenty-five thousand dollars ($125,000) to the state fair commission to be used by the state fair commission to make grants to county fairs to support standardbred racing and facilities at county fair tracks. The state fair commission shall establish a review committee to include the standardbred association board, the Indiana horse racing commission, and the Indiana county fair association to make recommendations to the state fair commission on grants under this clause.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The state board of accounts shall annually audit the accounts, books, and records of the Indiana horse racing commission, each horsemen's

association, a licensee, and any association for backside benevolence containing any information relating to the distribution of money under this section.

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

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

(1) issue a warning to the licensee;

(2) impose a civil penalty that may not exceed one million dollars ($1,000,000); or

(3) suspend a meeting permit issued under IC 4-31-5 to conduct a pari-mutuel wagering horse racing meeting in Indiana.

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

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

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

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

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

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

(1) must be in writing;

(2) must be submitted to the Indiana horse racing commission before October 1, 2013;

(3) must be approved by the Indiana horse racing commission before January 1, 2014; and

(4) may contain any terms determined to be necessary and appropriate by the negotiation committees, subject to subsection (f) and section 12 of this chapter.

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

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

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

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

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

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

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

(1) baccarat;

(2) blackjack;

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

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

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

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

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

Page 26, delete lines 1 through 11.

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

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1540 as introduced.)

DERMODY

Committee Vote: yeas 10, nays 2.

COMMITTEE REPORT

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

Page 3, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 6. IC 4-33-4-21.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner or an operating agent to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 **(before its repeal on January 1, 2017) or IC 4-33-13-8** in the following locations:

(1) On each admission ticket to a riverboat if tickets are issued.

(2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.

(b) The toll free telephone line described in IC 4-33-12-6 **(before its repeal on January 1, 2017) or IC 4-33-13-8** must be:

(1) maintained by the division of mental health and addiction under IC 12-23-1-6; and

(2) funded by the addiction services fund established by IC 12-23-2-2.

(c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

SECTION 7. IC 4-33-5-2, AS AMENDED BY P.L.125-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. Notwithstanding any other law, upon written request from a person, the commission shall provide the following information to the person:

(1) Except as provided in section 1.5 of this chapter, the information provided under section 1 of this chapter concerning a licensee or an applicant.

(2) The amount of the wagering tax and admission tax **(before its repeal on January 1, 2017)** paid daily to the state by a licensed owner or an operating agent.

(3) A copy of a letter providing the reasons for the denial of an owner's license or an operating agent's contract.

(4) A copy of a letter providing the reasons for the commission's refusal to allow an applicant to withdraw the applicant's application.

SECTION 8. IC 4-33-6-1, AS AMENDED BY P.L.229-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2015]: Sec. 1. (a) The commission may issue to a person a license to own a riverboat subject to the numerical and geographical limitation of owner's licenses under this section, section 3.5 of this chapter, and IC 4-33-4-17. However, not more than ten (10) owner's licenses may be in effect at any time. Those ten (10) licenses are as follows:

(1) **The maximum number specified in either of the following for the city of Gary:**

(A) Two (2) licenses for ~~a riverboat that operates~~ **two (2) docked riverboats that operate** from the city of Gary.

(1) One (1) license for an inland casino operating in the city of Gary under section 24 of this chapter.

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

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

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

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

(A) Vanderburgh County.

(B) Harrison County.

(C) Switzerland County.

(D) Ohio County.

(E) Dearborn County.

The commission may not issue a license to an applicant if the issuance of the license would result in more than one (1) riverboat operating from a county described in this subdivision.

(b) In addition to its power to issue owner's licenses under subsection (a), the commission may also enter into a contract under IC 4-33-6.5 with respect to the operation of one (1) riverboat on behalf of the commission in a historic hotel district.

(c) A person holding an owner's license may not move the person's riverboat from the county in which the riverboat was docked on January 1, 2007, to any other county.".

Page 5, between lines 22 and 23, begin a new line block indented and insert:

"**(1) The casino is located on property that the licensed owner owned on February 1, 2015.**".

Page 5, line 23, delete "(1)" and insert "**(2)**".

Page 5, line 25, delete "(2)" and insert "**(3)**".

Page 5, line 27, delete "(3)" and insert "**(4)**".

Page 5, line 34, delete "2015, unless the" and insert "**2015.**".

Page 5, delete lines 35 through 36, begin a new paragraph and insert:

"**(e) This subsection applies only to a licensed owner operating two (2) riverboats from a dock in Gary. If the licensed owner relocates a gaming operation under this section, the licensed owner shall:**

(1) relinquish the owner's license for the licensed owner's second riverboat; and

(2) terminate the licensed owner's gaming operations on board the second riverboat;

before the date determined by the commission in the commission's approval of the licensed owner's relocation to an inland casino.

SECTION 13. IC 4-33-6.5-5, AS AMENDED BY P.L.234-2007, SECTION 278, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. After selecting the most appropriate operating agent applicant, the commission may enter into an operating agent contract with the person. The operating agent contract must comply with this article and include the following terms and conditions:

(1) The operating agent must pay a nonrefundable initial fee of one million dollars ($1,000,000) to the commission. The fee must be deposited by the commission into the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(2) The operating agent must post a bond as required in section 6 of this chapter.

(3) The operating agent must implement flexible scheduling.

(4) The operating agent must locate the riverboat in a historic hotel district at a location approved by the commission.

(5) The operating agent must comply with any requirements concerning the exterior design of the riverboat that are approved by the commission.

(6) Notwithstanding any law limiting the maximum length of contracts:

(A) the initial term of the contract may not exceed twenty (20) years; and

(B) any renewal or extension period permitted under the contract may not exceed twenty (20) years.

(7) The operating agent must collect and remit all taxes under IC 4-33-12 **(before its repeal on January 1, 2017)** and

IC 4-33-13.

(8) The operating agent must comply with the restrictions on the transferability of the operating agent contract under section 12 of this chapter.".

Page 11, line 21, delete "," and insert "**(before its expiration on January 1, 2017),**".

Page 14, delete lines 28 through 42, begin a new paragraph and insert:

"SECTION 17. IC 4-33-12 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. (Admission Taxes).

SECTION 18. IC 4-33-12.5 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. (Distribution of Admissions Tax Revenue to Certain Municipalities).

SECTION 19. IC 4-33-13-1, AS AMENDED BY P.L.229-2013, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) This section does not apply to a riverboat that has implemented flexible scheduling under IC 4-33-6-21.

(b) Subject to section 1.5(j) of this chapter, a tax is imposed on the adjusted gross receipts received from gambling games authorized under this article at the rate of twenty-two and five-tenths percent (22.5%) of the amount of the adjusted gross receipts.

(c) The licensed owner shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

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

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

(f) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12 **(before its repeal on January 1, 2017).**

SECTION 20. IC 4-33-13-1.5, AS AMENDED BY P.L.229-2013, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1.5. (a) This section applies only to:

(1) a riverboat that has implemented flexible scheduling under IC 4-33-6-21 or IC 4-33-6.5; **and**

(2) adjusted gross receipts received from wagering on gambling games before January 1, 2017.

(b) This subsection applies only to a riverboat that received at least seventy-five million dollars ($75,000,000) of adjusted gross receipts

during the preceding state fiscal year. A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) Fifteen percent (15%) of the first twenty-five million dollars ($25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) Twenty percent (20%) of the adjusted gross receipts in excess of twenty-five million dollars ($25,000,000) but not exceeding fifty million dollars ($50,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(3) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars ($50,000,000) but not exceeding seventy-five million dollars ($75,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(4) Thirty percent (30%) of the adjusted gross receipts in excess of seventy-five million dollars ($75,000,000) but not exceeding one hundred fifty million dollars ($150,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(5) Thirty-five percent (35%) of all adjusted gross receipts in excess of one hundred fifty million dollars ($150,000,000) but not exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(6) Forty percent (40%) of all adjusted gross receipts exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(c) This subsection applies only to a riverboat that received less than seventy-five million dollars ($75,000,000) of adjusted gross receipts during the preceding state fiscal year. A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) Five percent (5%) of the first twenty-five million dollars ($25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) Twenty percent (20%) of the adjusted gross receipts in excess of twenty-five million dollars ($25,000,000) but not exceeding

fifty million dollars ($50,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(3) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars ($50,000,000) but not exceeding seventy-five million dollars ($75,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(4) Thirty percent (30%) of the adjusted gross receipts in excess of seventy-five million dollars ($75,000,000) but not exceeding one hundred fifty million dollars ($150,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(5) Thirty-five percent (35%) of all adjusted gross receipts in excess of one hundred fifty million dollars ($150,000,000) but not exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(6) Forty percent (40%) of all adjusted gross receipts exceeding six hundred million dollars ($600,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(d) The licensed owner or operating agent of a riverboat taxed under subsection (c) shall pay an additional tax of two million five hundred thousand dollars ($2,500,000) in any state fiscal year in which the riverboat's adjusted gross receipts exceed seventy-five million dollars ($75,000,000). The additional tax imposed under this subsection is due before July 1 of the following state fiscal year.

(e) The licensed owner or operating agent shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

(f) 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)).

(g) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner or operating agent to file a monthly report to reconcile the amounts remitted to the department.

(h) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12 **(before its repeal on January 1, 2017).**

(i) If a riverboat implements flexible scheduling during any part of a period beginning July 1 of each year and ending June 30 of the

following year, the tax rate imposed on the adjusted gross receipts received while the riverboat implements flexible scheduling shall be computed as if the riverboat had engaged in flexible scheduling during the entire period beginning July 1 of each year and ending June 30 of the following year.

(j) If a riverboat:

(1) implements flexible scheduling during any part of a period beginning July 1 of each year and ending June 30 of the following year; and

(2) before the end of that period ceases to operate the riverboat with flexible scheduling;

the riverboat shall continue to pay a wagering tax at the tax rates imposed under subsection (b) until the end of that period as if the riverboat had not ceased to conduct flexible scheduling.

SECTION 22. 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:**

(1) a riverboat that has implemented flexible scheduling under IC 4-33-6-21 or IC 4-33-6.5; and

(2) adjusted gross receipts received from wagering on gambling games after December 31, 2016.

(b) A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) Zero percent (0%) of the first ten million dollars ($10,000,000) of adjusted gross receipts received during a calendar year.

(2) Five percent (5%) of the adjusted gross receipts in excess of ten million dollars ($10,000,000) but not exceeding twenty million dollars ($20,000,000) received during a calendar year.

(3) Ten percent (10%) of the adjusted gross receipts in excess of twenty million dollars ($20,000,000) but not exceeding thirty million dollars ($30,000,000) received during a calendar year.

(4) Fifteen percent (15%) of the adjusted gross receipts in excess of thirty million dollars ($30,000,000) but not exceeding forty million dollars ($40,000,000) received during a calendar year.

(5) Twenty percent (20%) of the adjusted gross receipts in excess of forty million dollars ($40,000,000) but not exceeding fifty million dollars ($50,000,000) received during a calendar

year.

(6) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars ($50,000,000) but not exceeding sixty million dollars ($60,000,000) received during a calendar year.

(7) Thirty percent (30%) of the adjusted gross receipts in excess of sixty million dollars ($60,000,000) but not exceeding one hundred million dollars ($100,000,000) received during a calendar year.

(8) Thirty-five percent (35%) of the adjusted gross receipts in excess of one hundred million dollars ($100,000,000) but not exceeding three hundred million dollars ($300,000,000) received during a calendar year.

(9) Forty percent (40%) of all adjusted gross receipts exceeding three hundred million dollars ($300,000,000) received during a calendar year.

(c) The licensed owner or operating agent shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made. The department shall prescribe a form for remitting taxes under this section.

(d) 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)).

(e) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner or operating agent to file a monthly report to reconcile the amounts remitted to the department.

SECTION 23. IC 4-33-13-5, AS AMENDED BY P.L.2-2014, SECTION 8, 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~~ **auditor** of state shall distribute the tax revenue deposited in the state gaming fund under this chapter ~~to the following:~~ **as follows:**

(1) The first two million dollars ($2,000,000) of tax revenues collected under this chapter in a calendar year beginning after December 31, 2016, must be distributed to the division of mental health and addiction for the division's use under section 8 of this chapter.

(2) The next six million dollars ($6,000,000) of tax revenues collected under this chapter in a calendar year beginning after

December 31, 2016, must be distributed to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-13-3.

~~(1)~~ **(3)** ~~The first thirty-three million dollars ($33,000,000) of tax revenues collected under this chapter~~ **The following amounts** shall be set aside for revenue sharing under subsection (e):

(A) The first thirty-three million dollars ($33,000,000) of tax revenues collected under this chapter in a state fiscal year ending before July 1, 2017.

(B) The first forty million dollars ($40,000,000) of tax revenues collected under this chapter in a state fiscal year beginning after June 30, 2017.

~~(2)~~ **(4)** Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid **each month:**

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

~~(i) a city described in IC 4-33-12-6(b)(1)(A);~~ **a riverboat located in Dearborn County, Lake County, LaPorte County, Ohio County, or Vanderburgh County;** 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).~~ **in which the riverboat is located, in the case of a riverboat located in Harrison County or Switzerland County.**

~~(3)~~ **(5)** Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid **each month** to the state general fund. In each state fiscal year, the ~~treasurer~~ **auditor** 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~~ **auditor** 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

funds are appropriated under section 4 of this chapter, each month the ~~treasurer~~ **auditor** 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%) 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.

(c) For each city and county receiving money under subsection ~~(a)(2),~~ **(a)(4),** the ~~treasurer~~ **auditor** of state shall determine the total amount of money paid by the ~~treasurer~~ **auditor** 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~~ **auditor** 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~~ **auditor** 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~~ **auditor** of state shall transfer from the tax revenue remitted to the state general fund under subsection ~~(a)(3)~~ **(a)(5)** 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~~ **auditor** 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)~~ **(a)(5)** to comply with this subsection, the ~~treasurer~~ **auditor** 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)~~ **(a)(5)** for the state fiscal year.

(e) Before August 15 of ~~each year,~~ **a calendar year ending before January 1, 2017,** the ~~treasurer~~ **auditor** of state shall distribute the wagering taxes set aside for revenue sharing under subsection ~~(a)(1)~~ **(a)(3)** 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. **Before August 15 of a calendar year beginning after December 31, 2016, the auditor of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(3) to the county treasurer of each county according to the ratio that the county's population bears to the total population of Indiana.** Except as provided in subsection ~~(h),~~ **(g),** 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)~~ **(g)** 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(c). 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 during the preceding state fiscal year under IC 4-33-12-6; plus~~

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

~~(h)~~ **(g)** 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.~~".

Delete pages 15 through 18.

Page 19, delete lines 1 through 27.

Page 20, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 25. IC 4-33-13-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 8. (a) This section applies to wagering taxes collected under this chapter with respect to adjusted gross receipts received after December 31, 2016.**

(b) The division of mental health and addiction shall allocate at least twenty-five percent (25%) of the funds received under section 5 of this chapter to the prevention and treatment of compulsive gambling.

(c) Money received by the division of mental health and addiction under section 5 of this chapter:

(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.".

Page 20, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 27. IC 4-33-21-7, AS AMENDED BY P.L.229-2013, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) A trustee acting under the authority of this chapter must fulfill the trustee's duties as a fiduciary for the owner of the riverboat. In addition, the trustee shall consider the effect of the trustee's actions upon:

(1) the amount of taxes remitted by the trustee under IC 4-33-12

(before its repeal on January 1, 2017) and IC 4-33-13;

(2) the city and county in which the riverboat is located;

(3) the riverboat's employees; and

(4) the creditors of the owner of the riverboat.

(b) In balancing the interests described in subsection (a), a trustee shall conduct gambling operations on the riverboat in a manner that enhances the credibility and integrity of riverboat gambling in Indiana while minimizing disruptions to tax revenues, incentive payments, employment, and credit obligations.

SECTION 28. IC 4-33-23-18 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 18. (a) This section does not apply to a development agreement that was negotiated and made after June 30, 2010.**

(b) Except as provided in subsection (a), a development agreement in effect on July 1, 2015, is void on December 31, 2016.

(c) Except as provided in subsection (d), the executive of the city and the executive of the county in which a riverboat is located may jointly renegotiate a new development agreement with a development provider to replace a development agreement that is subject to being voided under subsection (b). A replacement development agreement must take effect on January 1, 2017. The negotiations authorized by this subsection are subject to subsection (e).

(d) This subsection applies to Harrison County and Switzerland County. In a county subject to this subsection, the executive of the county is the only entity that may renegotiate a new development agreement with a development provider to replace a development agreement that is subject to being voided under subsection (b). A replacement development agreement must take effect on January 1, 2017. The negotiations authorized by this subsection are subject to subsection (e).

(e) If a city or county and a development provider are unable to agree to a new development agreement before September 1, 2016, the city or county and the development provider shall submit the matter to the commission for arbitration. The commission shall determine the amount of the annual local development fee that the city or county is entitled to receive under this section. The local development fee:

(1) must be at least two percent (2%) of the adjusted gross receipts received by the development provider's riverboat in the previous calendar year; but

(2) may not exceed seven percent (7%) of the adjusted gross receipts received by the development provider's riverboat in the previous calendar year.

(f) Beginning in 2017, a local development fee paid under this section is payable in two (2) equal installments on June 1 and December 1 of each year.

(g) Local development fees paid under this section:

(1) are considered economic development payments for purposes of this chapter;

(2) must be used for economic development purposes; and

(3) are subject to regulation by the commission under this chapter.

SECTION 29. IC 4-33-24 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 24. Homestead Property Tax Relief Fee

Sec. 1. This chapter applies only to a riverboat located in Lake County.

Sec. 2. After December 31, 2016, a homestead property tax relief fee is imposed on the adjusted gross receipts from gambling games authorized under this article at the rate of one and one-tenth percent (1.1%).

Sec. 3. (a) The licensed owner of each riverboat located in Lake County shall remit the homestead property tax relief fee imposed by section 2 of this chapter to the department before the close of the business day following the day the wagers are made.

(b) 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)).

(c) If the department requires the homestead property tax relief fee to be remitted under this section through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amounts remitted to the department.

Sec. 4. The auditor of state shall deposit the fees remitted under this chapter in a separate fund known as the homestead property tax relief fund. Except as provided in IC 6-3.1-20-8(d), money in the fund must be used to offset the amount of foregone adjusted gross income tax revenue attributable to the income tax credit provided under IC 6-3.1-20.".

Page 22, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 34. IC 4-35-4-12, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2015]: Sec. 12. (a) The commission shall require a licensee to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 **(before its repeal on January 1, 2017) or IC 4-33-13-8** in the following locations:

(1) On each admission ticket to a facility at which gambling games are conducted, if tickets are issued.

(2) On a poster or placard that is on display in a public area of each facility at which gambling games at racetracks are conducted.

(b) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.".

Page 31, delete lines 2 through 5.

Page 31, line 8, after "(a)" insert "**This section applies to adjusted gross receipts received from slot machines before January 1, 2017.**".

Page 31, between lines 37 and 38, begin a new paragraph and insert:

"SECTION 51. IC 4-35-8-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 1.5. (a) This section applies to adjusted gross receipts received from wagering on gambling games after December 31, 2016.**

(b) A graduated tax is imposed on ninety-one and five-tenths percent (91.5%) of the adjusted gross receipts received from gambling games authorized by this article as follows:

(1) Zero percent (0%) of the first ten million dollars ($10,000,000) of adjusted gross receipts received during a calendar year.

(2) Five percent (5%) of the adjusted gross receipts in excess of ten million dollars ($10,000,000) but not exceeding twenty million dollars ($20,000,000) received during a calendar year.

(3) Ten percent (10%) of the adjusted gross receipts in excess of twenty million dollars ($20,000,000) but not exceeding thirty million dollars ($30,000,000) received during a calendar year.

(4) Fifteen percent (15%) of the adjusted gross receipts in excess of thirty million dollars ($30,000,000) but not exceeding forty million dollars ($40,000,000) received during a calendar year.

(5) Twenty percent (20%) of the adjusted gross receipts in excess of forty million dollars ($40,000,000) but not exceeding fifty million dollars ($50,000,000) received during a calendar year.

(6) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars ($50,000,000) but not exceeding sixty million dollars ($60,000,000) received during a calendar year.

(7) Thirty percent (30%) of the adjusted gross receipts in excess of sixty million dollars ($60,000,000) but not exceeding one hundred million dollars ($100,000,000) received during a calendar year.

(8) Thirty-five percent (35%) of the adjusted gross receipts in excess of one hundred million dollars ($100,000,000) but not exceeding three hundred million dollars ($300,000,000) received during a calendar year.

(9) Forty percent (40%) of all adjusted gross receipts exceeding three hundred million dollars ($300,000,000) received during a calendar year.

(c) 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.

(d) 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)).

(e) 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.

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

Page 32, between lines 26 and 27, begin a new paragraph and insert:

"**Sec. 1. This chapter applies to wagers made on table games before January 1, 2017. After December 31, 2016, wagering on table games is subject to taxation under IC 4-35-8.**".

Page 32, line 27, delete "1." and insert "**2.**".

Page 33, line 16, delete "2." and insert "**3.**".

Page 33, line 19, delete "3." and insert "**4.**".

Page 33, line 26, delete "4." and insert "**5.**".

Page 33, line 28, delete "5." and insert "**6.**".

Page 33, line 29, delete "1" and insert "**2**".

Page 33, between lines 29 and 30, begin a new paragraph and insert:

"**Sec. 7. This chapter expires July 1, 2017.**".

Page 36, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 66. IC 6-1.1-4-31.5, AS AMENDED BY P.L.112-2012, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 31.5. (a) As used in this section, "department"

refers to the department of local government finance.

(b) If the department makes a determination and informs local officials under section 31(c) of this chapter, the department may order a state conducted assessment or reassessment in the county subject to the time limitation in that subsection.

(c) If the department orders a state conducted assessment or reassessment in a county, the department shall assume the duties of the county assessor. Notwithstanding sections 15 and 17 of this chapter, a county assessor subject to an order issued under this section may not assess property or have property assessed for the assessment or general reassessment under section 4 of this chapter or under a county's reassessment plan prepared under section 4.2 of this chapter. Until the state conducted assessment or reassessment is completed under this section, the assessment or reassessment duties of the county assessor are limited to providing the department or a contractor of the department the support and information requested by the department or the contractor.

(d) Before assuming the duties of a county assessor, the department shall transmit a copy of the department's order requiring a state conducted assessment or reassessment to the county assessor, the county fiscal body, the county auditor, and the county treasurer. Notice of the department's actions must be published one (1) time in a newspaper of general circulation published in the county. The department is not required to conduct a public hearing before taking action under this section.

(e) A county assessor subject to an order issued under this section shall, at the request of the department or the department's contractor, make available and provide access to all:

(1) data;
(2) records;
(3) maps;
(4) parcel record cards;
(5) forms;
(6) computer software systems;
(7) computer hardware systems; and
(8) other information;

related to the assessment or reassessment of real property in the county. The information described in this subsection must be provided at no cost to the department or the contractor of the department. A failure to provide information requested under this subsection constitutes a failure to perform a duty related to an assessment or a general reassessment under section 4 of this chapter or under a county's

reassessment plan prepared under section 4.2 of this chapter and is subject to IC 6-1.1-37-2.

(f) The department may enter into a contract with a professional appraising firm to conduct an assessment or reassessment under this section. If a county entered into a contract with a professional appraising firm to conduct the county's assessment or reassessment before the department orders a state conducted assessment or reassessment in the county under this section, the contract:

(1) is as valid as if it had been entered into by the department; and

(2) shall be treated as the contract of the department.

(g) After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (f), the department shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment. The notice of assessment or reassessment:

(1) is subject to appeal by the taxpayer under section 31.7 of this chapter; and

(2) must include a statement of the taxpayer's rights under section 31.7 of this chapter.

(h) The department shall forward a bill for services provided under a contract described in subsection (f) to the auditor of the county in which the state conducted reassessment occurs. The county shall pay the bill under the procedures prescribed by subsection (i).

(i) A county subject to an order issued under this section shall pay the cost of a contract described in subsection (f), without appropriation, from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under the contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

(1) submits to the department a fully itemized, certified bill in the form required by IC 5-11-10-1 for the costs of the work performed under the contract;

(2) obtains from the department:

(A) approval of the form and amount of the bill; and

(B) a certification that the billed goods and services have been received and comply with the contract; and

(3) files with the county auditor:

(A) a duplicate copy of the bill submitted to the department;

(B) proof of the department's approval of the form and amount of the bill; and

(C) the department's certification that the billed goods and

services have been received and comply with the contract. The department's approval and certification of a bill under subdivision (2) shall be treated as conclusively resolving the merits of a contractor's claim. Upon receipt of the documentation described in subdivision (3), the county auditor shall immediately certify that the bill is true and correct without further audit and submit the claim to the county executive. The county executive shall allow the claim, in full, as approved by the department, without further examination of the merits of the claim in a regular or special session that is held not less than three (3) days and not more than seven (7) days after the date the claim is certified by the county fiscal officer if the procedures in IC 5-11-10-2 are used to approve the claim or the date the claim is placed on the claim docket under IC 36-2-6-4 if the procedures in IC 36-2-6-4 are used to approve the claim. Upon allowance of the claim by the county executive, the county auditor shall immediately issue a warrant or check for the full amount of the claim approved by the department. Compliance with this subsection constitutes compliance with IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and payment of a claim in compliance with this subsection is not subject to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply to a claim submitted under this subsection. IC 5-11-10-1.6(d) applies to a fiscal officer who pays a claim in compliance with this subsection.

(j) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the department entered into under this section:

(1) The commissioner of the Indiana department of administration.

(2) The director of the budget agency.

(3) The attorney general.

(k) If money in the county's property reassessment fund is insufficient to pay for an assessment or reassessment conducted under this section, the department may increase the tax rate and tax levy of the county's property reassessment fund to pay the cost and expenses related to the assessment or reassessment.

(l) The department or the contractor of the department shall use the land values determined under section 13.6 of this chapter for a county subject to an order issued under this section to the extent that the department or the contractor finds that the land values reflect the true tax value of land, as determined under this article and the rules of the department. If the department or the contractor finds that the land values determined for the county under section 13.6 of this chapter do not reflect the true tax value of land, the department or the contractor

shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The department or the contractor of the department shall notify the county's assessing officials of the land values determined under this subsection.

(m) A contractor of the department may notify the department if:

(1) a county auditor fails to:

(A) certify the contractor's bill;

(B) publish the contractor's claim;

(C) submit the contractor's claim to the county executive; or

(D) issue a warrant or check for payment of the contractor's bill;

as required by subsection (i) at the county auditor's first legal opportunity to do so;

(2) a county executive fails to allow the contractor's claim as legally required by subsection (i) at the county executive's first legal opportunity to do so; or

(3) a person or an entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts progress under this section for payment of the contractor's bill.

(n) The department, upon receiving notice under subsection (m) from a contractor of the department, shall:

(1) verify the accuracy of the contractor's assertion in the notice that:

(A) a failure occurred as described in subsection (m)(1) or (m)(2); or

(B) a person or an entity acted or failed to act as described in subsection (m)(3); and

(2) provide to the treasurer of state the department's approval under subsection (i)(2)(A) of the contractor's bill with respect to which the contractor gave notice under subsection (m).

(o) Upon receipt of the department's approval of a contractor's bill under subsection (n), the treasurer of state shall pay the contractor the amount of the bill approved by the department from money in the possession of the state that would otherwise be available for distribution to the county, including distributions of admissions taxes or wagering taxes.

(p) The treasurer of state shall withhold from the money that would be distributed under IC 4-33-12-6 **(before its repeal on January 1,**

2017), IC 4-33-13-5, or any other law to a county described in a notice provided under subsection (m) the amount of a payment made by the treasurer of state to the contractor of the department under subsection (o). Money shall be withheld from any source payable to the county.

(q) Compliance with subsections (m) through (p) constitutes compliance with IC 5-11-10.

(r) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (m) through (p). This subsection and subsections (m) through (p) must be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county subject to this section are paid. Nothing in this section shall be construed to create a debt of the state.

(s) The provisions of this section are severable as provided in IC 1-1-1-8(b).

SECTION 67. IC 6-3.1-20-7, AS AMENDED BY P.L.166-2014, SECTION 25, 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)(2); 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)(1) 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.

(e) This section expires January 1, 2017.

SECTION 68. IC 6-3.1-20-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 8. (a) This section applies to a calendar year beginning after December 31, 2016.**

(b) 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.

(c) The auditor of state shall transfer the amount determined under subsection (b)(2) from the homestead property tax relief fund established under IC 4-33-24-4 to the state general fund.

(d) If the amount determined by the department under subsection (b)(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 (b)(2);

must be transferred from the homestead property tax relief fund 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 must be used by the northwest Indiana regional development authority only to establish or improve public mass rail transportation systems in Lake County.".

Page 39, line 36, after "(IC 4-33-12)" delete ";" and insert "**(before its repeal on January 1, 2017);**".

Page 40, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 70. IC 6-9-2-4.3, AS AMENDED BY P.L.172-2011, SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4.3. (a) The Lake County convention and visitor bureau shall establish a convention, tourism, and visitor promotion

alternate revenue fund (referred to in this chapter as the "alternate revenue fund"). The bureau may deposit in the alternate revenue fund all money received by the bureau after June 30, 2005, that is not required to be deposited in the promotion fund under section 2 of this chapter or a fund established by the bureau, including appropriations, gifts, grants, membership dues, and contributions from any public or private source.

(b) The bureau may, without appropriation by the county council, expend money from the alternate revenue fund to promote and encourage conventions, trade shows, visitors, special events, sporting events, and exhibitions in the county. Money may be paid from the alternate revenue fund by claim in the same manner as municipalities may pay claims under IC 5-11-10-1.6.

(c) All money in the alternate revenue fund shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of money in the alternate revenue fund is subject to audit and supervision by the state board of accounts.

(d) Money derived from the taxes imposed under IC 4-33-12 **(before its repeal on January 1, 2017)** and IC 4-33-13 may not be transferred to the alternate revenue fund.".

Page 41, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 72. IC 8-18-8-5, AS AMENDED BY P.L.30-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. All expenses incurred in the maintenance of county highways shall first be paid out of funds from the gasoline tax, special fuel tax, and the motor vehicle registration fees that are paid to the counties by the state. In addition, a county may use funds derived from the:

(1) county motor vehicle excise surtax;
(2) county wheel tax;
(3) county adjusted gross income tax;
(4) county option income tax;
(5) riverboat admission tax (IC 4-33-12) **(before its repeal on January 1, 2017);**
(6) riverboat wagering tax (IC 4-33-13); or
(7) property taxes and miscellaneous revenue deposited in the county general fund.

SECTION 73. IC 12-23-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. The addiction services fund is established for the deposit of **the following:**

(1) Excise taxes on alcoholic beverages as described in

IC 7.1-4-11. ~~and~~

(2) Taxes on riverboat admissions under IC 4-33-12-6 **(before its repeal on January 1, 2017).**

(3) Riverboat wagering taxes received after December 31, 2016, under IC 4-33-13-5.

SECTION 74. 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(g)(3) **(before its repeal on January 1, 2017) or IC 4-33-13-8** to provide the public with information about programs that provide help with gambling, alcohol, and drug addiction problems.

SECTION 75. IC 12-23-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) For each state fiscal year, the division may not spend more than an amount equal to five percent (5%) of the total amount received by the division from the fund established under section 2 of this chapter for the administrative costs associated with the use of money received from the fund.

(b) The division shall allocate at least twenty-five percent (25%) of the funds derived from the riverboat admissions tax under IC 4-33-12-6 **(before its repeal on January 1, 2017) or the riverboat wagering tax under IC 4-33-13-5** to the prevention and treatment of compulsive gambling.

(c) The division shall reimburse the Indiana gaming commission for the costs incurred in administering a voluntary exclusion program established under the rules of the Indiana gaming commission. The division shall pay the reimbursement from funds derived from the riverboat ~~admissions~~ tax under IC 4-33-12-6 **(before its repeal on January 1, 2017) or the riverboat wagering tax under IC 4-33-13-5.**

SECTION 76. IC 20-26-5-22.5, AS ADDED BY P.L.214-2005, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 22.5. (a) A school corporation may participate in the establishment of a public school foundation.

(b) The governing body of a school corporation may receive the

proceeds of a grant, a restricted gift, an unrestricted gift, a donation, an endowment, a bequest, a trust, an agreement to share tax revenue received by a city or county under IC 4-33-12-6 **(before its repeal on January 1, 2017)** or IC 4-33-13 or other funds not generated from taxes levied by the school corporation to create a foundation under the following conditions:

(1) The foundation is:

(A) exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and

(B) organized as an Indiana nonprofit corporation for the purposes of providing educational funds for scholarships, teacher education, capital programs, and special programs for school corporations.

(2) Except as provided in subdivision (3), the foundation retains all rights to a donation, including investment powers. The foundation may hold a donation as a permanent endowment.

(3) The foundation agrees to do the following:

(A) Distribute the income from a donation only to the school corporation.

(B) Return a donation to the general fund of the school corporation if the foundation:

(i) loses the foundation's status as a foundation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code;

(ii) is liquidated; or

(iii) violates any condition set forth in this subdivision.

(c) A school corporation may use the proceeds received under this section from a foundation only for educational purposes of the school corporation described in subsection (b)(1)(B).

(d) The governing body of the school corporation may appoint members to the foundation.

(e) The treasurer of the governing body of the school corporation may serve as the treasurer of the foundation.

SECTION 77. IC 20-47-1-1, AS ADDED BY P.L.2-2006, SECTION 170, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. As used in this chapter, "proceeds from riverboat gaming" means tax revenue received by a political subdivision under IC 4-33-12-6 **(before its repeal on January 1, 2017),** IC 4-33-13, or an agreement to share a city's or county's part of the tax revenue.

SECTION 78. IC 20-47-1-5, AS AMENDED BY P.L.142-2009, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2015]: Sec. 5. (a) The governing body of a school corporation may donate the proceeds of a grant, a gift, a donation, an endowment, a bequest, a trust, an agreement to share tax revenue received by a city or county under IC 4-33-12-6 **(before its repeal on January 1, 2017)** or IC 4-33-13 or an agreement to share revenue received by a political subdivision under IC 4-35-8.5, or other funds not generated from taxes levied by the school corporation, to a foundation under the following conditions:

(1) The foundation is a charitable nonprofit community foundation.

(2) The foundation retains all rights to the donation, including investment powers, except as provided in subdivision (3).

(3) The foundation agrees to do the following:

(A) Hold the donation as a permanent endowment.

(B) Distribute the income from the donation only to the school corporation as directed by resolution of the governing body of the school corporation.

(C) Return the donation to the general fund of the school corporation if the foundation:

(i) loses the foundation's status as a public charitable organization;

(ii) is liquidated; or

(iii) violates any condition of the endowment set by the governing body of the school corporation.

(b) A school corporation may use income received under this section from a community foundation only for purposes of the school corporation.

SECTION 79. IC 36-1-8-9, AS AMENDED BY P.L.199-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) Each unit that receives:

(1) tax revenue under IC 4-33-12-6 **(before its repeal on January 1, 2017)** or IC 4-33-13;

(2) revenue under an agreement to share the tax revenue received under IC 4-33-12 **(before its repeal on January 1, 2017)** or IC 4-33-13 by another unit; or

(3) revenue under a development agreement (as defined in section 9.5 of this chapter);

may establish a riverboat fund. Money in the fund may be used for any legal or corporate purpose of the unit.

(b) The riverboat fund established under subsection (a) shall be administered by the unit's treasurer, and the expenses of administering the fund shall be paid from money in the fund. Money in the fund not

currently needed to meet the obligations of the fund may be invested in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund. Money in the fund at the end of a particular fiscal year does not revert to the unit's general fund.

SECTION 80. IC 36-1-14-1, AS AMENDED BY P.L.142-2009, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) This section does not apply to donations of gaming revenue to a public school endowment corporation under IC 20-47-1-3.

(b) As used in this section, "gaming revenue" means either of the following:

(1) Tax revenue received by a unit under IC 4-33-12-6 **(before its repeal on January 1, 2017),** IC 4-33-13, or an agreement to share a city's or county's part of the tax revenue.

(2) Revenue received by a unit under IC 4-35-8.5 or an agreement to share revenue received by another unit under IC 4-35-8.5.

(c) Notwithstanding IC 8-1.5-2-6(d), a unit may donate the proceeds from the sale of a utility or facility or from a grant, a gift, a donation, an endowment, a bequest, a trust, or gaming revenue to a foundation under the following conditions:

(1) The foundation is a charitable nonprofit community foundation.

(2) The foundation retains all rights to the donation, including investment powers.

(3) The foundation agrees to do the following:

(A) Hold the donation as a permanent endowment.

(B) Distribute the income from the donation only to the unit as directed by resolution of the fiscal body of the unit.

(C) Return the donation to the general fund of the unit if the foundation:

(i) loses the foundation's status as a public charitable organization;

(ii) is liquidated; or

(iii) violates any condition of the endowment set by the fiscal body of the unit.

SECTION 81. IC 36-7-11.5-11, AS AMENDED BY P.L.229-2011, SECTION 266, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: 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) **(before its repeal on January 1, 2017),** and IC 4-33-13-5(b).

(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) 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) 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).

SECTION 82. IC 36-7.5-4-16, AS ADDED BY P.L.214-2005, SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 16. (a) This section applies if:

(1) a city or county described in IC 36-7.5-2-3 fails to make a transfer or a part of a transfer required by section 2 of this chapter; and

(2) the development authority has bonds or other debt or lease obligations outstanding.

(b) The treasurer of state shall do the following:

(1) Deduct from amounts otherwise payable to the city or town under IC 4-33-12 **(before its repeal on January 1, 2017)** or IC 4-33-13 an amount equal to the amount of the transfer or part of the transfer under section 2 of this chapter that the city or county failed to make.

(2) Pay the amount deducted under subdivision (1) to the development authority.".

Page 41, after line 23, begin a new paragraph and insert:

"SECTION 84. [EFFECTIVE JULY 1, 2015] **(a) The general assembly recognizes that IC 4-33-12-6 is amended by this act effective July 1, 2015. The general assembly also recognizes that IC 4-33-12 is repealed by this act effective January 1, 2017. It is the intent of the general assembly to repeal IC 4-33-12 effective January 1, 2017.**

(b) This SECTION expires July 1, 2017.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1540 as printed February 13, 2015.)

BROWN T

Committee Vote: yeas 20, nays 3.