



February 12, 2019

SENATE BILL No. 552

DIGEST OF SB 552 (Updated February 7, 2019 9:22 am - DI 133)

Citations Affected: IC 4-31; IC 4-33; IC 4-35; IC 4-38; IC 6-8.1; IC 35-45; IC 36-7.

Synopsis: Gaming matters. Authorizes sports wagering at riverboats, racinos, a Vigo County casino, and satellite facilities. Provides for the administration and conduct of sports wagering. Imposes initial and annual fees on a licensed owner, operating agent, vendor, or permit holder conducting sports wagering. Imposes initial and annual licensing fees on vendors conducting sports wagering. Specifies that a vendor contracting with a certificate holder has the same authority to conduct sports wagering as the certificate holder. Requires the use of official data to determine the winner of in-play wagers. Requires the Indiana gaming commission (IGC) to deposit vendor license application fees in the sports wagering fund. Requires the IGC to deposit sports wagering service provider license application fees in the sports wagering fund. Sets forth duties for the IGC concerning sports wagering. Requires the IGC to adopt administrative rules. Specifies that the IGC may act upon information received from a sports governing body in considering requests to prohibit wagering on particular events or to prohibit making wagers of a particular type. Establishes a sports wagering service provider license. Provides that certain items must be acquired from a person that holds both a supplier's license and a sports wagering service provider license. Provides that certain services must be obtained from a person holding a sports wagering service provider license. Specifies that required background checks apply to employees engaged in activities related to sports wagering. Provides that sports wagering at racinos is taxed as a

(Continued next page)

Effective: July 1, 2019.

Messmer, Ford Jon, Melton

January 15, 2019, read first time and referred to Committee on Public Policy.
February 11, 2019, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.

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gambling game. Specifies permissible sports wagering wagers. Prohibits wagering on e-sports. Allows live table games at racetracks in 2019. Provides each horsemen's association, certain licensees, and any association for backside benevolence shall submit to an audit by an independent public accountant and submit the report to the commission. Provides distributions of taxes from live table games at racetracks to the commission. Authorizes a holder of a Gary riverboat license to change locations under certain circumstances, to another location in Gary or to Vigo County. Allows: (1) a holder of one of the Gary riverboat licenses to move a license to a casino in Vigo County; or (2) a licensed owner of a riverboat license to apply to the IGC to operate a Vigo County casino. Repeals: (1) the maximum number of owner's licenses that may be issued to a riverboat owner; (2) the cap on the number of slot machines and gambling games at racinos; and (3) the provision that prohibits money distributed to a horsemen's association from being used for lobbying. Provides that a licensed owner of a riverboat license: (1) who is operating a Vigo County casino; or (2) who operates an casino in Vigo County using a Gary riverboat license; shall annually pay \$3,000,000 to the department of natural resources (DNR) and DNR will deposit that payment in the West Baden Springs historic hotel preservation and maintenance fund. Provides that if a riverboat locates in Vigo County, the licensed owner shall pay \$6,000,000 to the city of Evansville and that 80% of the funds shall be used to reduce the property lease payments of the inland casino in Evansville. Provides \$1 of the supplemental wagering tax collected per person by a riverboat in Vigo County to the Vigo County capital improvement board of managers. Provides that a riverboat operating in Vigo County shall pay \$2,000,000 to the commission annually to be distributed to the breed development funds. Provides that the state treasurer shall distribute tax revenue from an operating agent operating a riverboat in a historic hotel district to the state general fund and the West Baden Springs historic hotel preservation and maintenance fund. Provides that a racino is authorized to conduct wagering on table games after submitting a plan to the Indiana gaming commission that meets requirements for table games for riverboats. Provides that certain cities and counties may receive supplemental payments from wagering tax distributions. Provides that beginning after June 30, 2020, a licensed owner or racino may not deduct more than \$9,000,000 from adjusted gross receipts from wagering on gambling games. Provides that a racino shall distribute monthly 20% of the adjusted gross receipts of live table game wagering. Prohibits a racino, riverboat, or riverboat operated by an operating agency from relocating within 75 miles of another racetrack, riverboat, inland casino, riverboat operated by an operating agent, or relocated casino. Makes technical corrections and other changes to conform with recent changes to the riverboat law.



February 12, 2019

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

SENATE BILL No. 552

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

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

- 1 SECTION 1. IC 4-31-2-5.8 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2019]: **Sec. 5.8. "E-sports" means a single player or multiplayer**
- 4 **video game played competitively, typically by professional gamers.**
- 5 SECTION 2. IC 4-31-2-20.9 IS ADDED TO THE INDIANA CODE
- 6 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 7 1, 2019]: **Sec. 20.9. "Sports wagering" refers to wagering**
- 8 **conducted under IC 4-38 on athletic and sporting events involving**
- 9 **human competitors. The term does not include:**
- 10 **(1) pari-mutuel wagering on horse racing; or**
- 11 **(2) wagering on e-sports.**
- 12 SECTION 3. IC 4-31-9-0.5 IS ADDED TO THE INDIANA CODE
- 13 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 14 1, 2019]: **Sec. 0.5. This chapter does not apply to sports wagering**
- 15 **conducted under IC 4-38 at a satellite facility.**

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SECTION 4. IC 4-33-1-1 IS REPEALED [EFFECTIVE JULY 1, 2019]. ~~Sec. 1. This article applies only to the following:~~

~~(1) Counties contiguous to Lake Michigan;~~

~~(2) A county that is:~~

~~(A) contiguous to the Ohio River; and~~

~~(B) described in IC 4-33-6-1(a)(5);~~

~~(3) A county that contains a historic hotel district.~~

SECTION 5. IC 4-33-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. **(a)** "Adjusted gross receipts" means:

(1) the total of all cash and property (including checks received by a licensee or an operating agent) whether collected or not, received by a licensee or an operating agent from gaming operations; minus

(2) the total of:

(A) all cash paid out as winnings to patrons; and

(B) uncollectible gaming receivables, not to exceed the lesser of:

(i) a reasonable provision for uncollectible patron checks received from gaming operations; or

(ii) two percent (2%) of the total of all sums, including checks, whether collected or not, less the amount paid out as winnings to patrons.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the licensee or operating agent from gaming operations.

(b) The term does not include amounts received from sports wagering conducted by a licensee or operating agent under IC 4-38.

SECTION 6. IC 4-33-2-17, AS AMENDED BY P.L.255-2015, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: 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) **and is located in a county that is contiguous to Lake Michigan or the Ohio River.**

(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)~~; **subdivision (1).**

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

(5) A Vigo County casino operating under IC 4-33-9.5.



(6) A relocated casino under IC 4-33-6-4.5.

SECTION 7. IC 4-33-2-17.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 17.7. "Sports wagering" refers to wagering conducted under IC 4-38 on athletic and sporting events involving human competitors. The term does not include:

- (1) money spent to participate in paid fantasy sports under IC 4-33-24; or
- (2) wagering on e-sports.

SECTION 8. IC 4-33-3-2, AS AMENDED BY P.L.170-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) The commission consists of seven (7) members appointed by the governor.

(b) Each member of the commission must:

- (1) be a resident of Indiana; and
- (2) have a reasonable knowledge of the practice, procedures, and principles of gambling operations.

(c) At least one (1) member of the commission must be experienced in law enforcement and criminal investigation.

(d) At least one (1) member of the commission must be a certified public accountant experienced in accounting and auditing.

(e) At least one (1) member of the commission must be an attorney admitted to the practice of law in Indiana.

(f) One (1) member of the commission must be a resident of a county ~~described in IC 4-33-1-1(1):~~ **that is contiguous to Lake Michigan.**

(g) One (1) member of the commission must be a resident of a county ~~described in IC 4-33-1-1(2):~~ **that is contiguous to the Ohio River.**

(h) Not more than four (4) members may be affiliated with the same political party.

SECTION 9. IC 4-33-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 22. (a) The commission shall file a written annual report with the governor before September 1 of each year. The commission shall file any additional reports that the governor requests.

(b) The annual report filed under this section must include a statement describing the following:

- (1) The receipts and disbursements of the commission.
- (2) Actions taken by the commission.
- (3) **The development and fiscal impact of sports wagering conducted under IC 4-38.**



(3) (4) Any additional information and recommendations that:

(A) the commission considers useful; or

(B) the governor requests.

SECTION 10. IC 4-33-6-1, AS AMENDED BY P.L.229-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: 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. **Except as provided in section 4.5 of this chapter and IC 4-33-9.5**, those ten (10) licenses are as follows:

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

(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)~~: **a county contiguous to Lake Michigan. However**, 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) **This subsection does not apply to the relocation of a casino under IC 4-33-6-4.5. The commission may not issue a license to an applicant if the issuance of the license would permit the applicant to locate a riverboat less than seventy-five (75) miles from the location of another riverboat licensed under this article or a gambling game facility under IC 4-35, as determined by the**



1 distance between the closest point from the proposed location of
 2 the applicant's riverboat to the location of another riverboat or
 3 gambling game facility.

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

7 SECTION 11. IC 4-33-6-3 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. The commission may
 9 not issue an owner's license under this chapter to a person if:

10 (1) the person has been convicted of a felony under Indiana law,
 11 the laws of any other state, or laws of the United States;

12 (2) the person has knowingly or intentionally submitted an
 13 application for a license under this chapter that contains false
 14 information;

15 (3) the person is a member of the commission;

16 (4) the person is an officer, a director, or a managerial employee
 17 of a person described in subdivision (1) or (2);

18 (5) the person employs an individual who:

19 (A) is described in subdivision (1), (2), or (3); and

20 (B) participates in the management or operation of gambling
 21 operations authorized under this article;

22 (6) the person owns an ownership interest of more than the total
 23 amount of ownership interest permitted under section 3.5 of this
 24 chapter; or

25 (7) (6) a license issued to the person:

26 (A) under this article; or

27 (B) to own or operate gambling facilities in another
 28 jurisdiction;

29 has been revoked.

30 SECTION 12. IC 4-33-6-3.5 IS REPEALED [EFFECTIVE JULY
 31 1, 2019]. Sec. 3.5: (a) For purposes of this section, a person is
 32 considered to have an ownership interest in a riverboat owner's license
 33 if the interest is owned directly or indirectly by the person or by an
 34 entity controlled by the person:

35 (b) A person may have up to a one hundred percent (100%)
 36 ownership interest in not more than two (2) riverboat licenses issued
 37 under this chapter.

38 (c) A person may not have an ownership interest in more than two
 39 (2) riverboat owner's licenses issued under this chapter.

40 (d) This section may not be construed to increase the maximum
 41 number of licenses permitted under section 1 of this chapter or the
 42 number of riverboats that may be owned and operated under a license



under section 10 of this chapter:

SECTION 13. IC 4-33-6-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 4.5. (a) A person holding an owner's license under section 1(a)(1) of this chapter may move a riverboat using one (1) of the licenses described in section 1(a)(1) of this chapter to a different location in Gary and may move a riverboat using the other license described in section 1(a)(1) of this chapter to a location in Vigo County only if:**

(1) the Gary common council adopts a resolution approving the relocation of the riverboat;

(2) the legislative body of the:

(A) city or town of relocation, if the riverboat is relocating to a city or town; or

(B) county of relocation, if the riverboat is relocating to an unincorporated area of a county;

adopts a resolution approving the relocation of the riverboat; and

(3) the voters of Vigo County have approved a public question under IC 4-31-4-3 or section 19 of this chapter.

(b) If voters in Vigo County have not approved a public question described in subsection (a)(3), the Vigo County election board shall place the following question on the ballot in Vigo County during the next primary or general election:

"Shall riverboat gambling be permitted in Vigo County?".

(c) A public question under subsection (b) shall be placed on the ballot in accordance with IC 3-10-9 and must be certified in accordance with IC 3-10-9-3.

(d) The clerk of the circuit court of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(e) If a public question under this section is placed on the ballot in Vigo County and the voters of Vigo County do not vote in favor of permitting riverboat gambling under this article, a second public question under this section may not be held in Vigo County for at least two (2) years. If the voters of Vigo County vote to reject riverboat gambling a second time, a third or subsequent public question under this section may not be held in Vigo County for at least two (2) years.

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

(g) When reviewing an application to relocate gaming



operations under this section, the commission shall consider:

- (1) economic benefits;
- (2) tax revenue;
- (3) number of new jobs;
- (4) whether the owner plans to make at least fifty percent (50%) of the owner's proposed investment in the Vigo County casino for the development of nongaming amenities; and
- (5) any other issue deemed appropriate by the commission.

(h) The commission shall approve an application to transfer gaming operations under this section if the requirements of this section are met.

(i) If a riverboat relocates under this section, the new casino may be an inland casino as described in section 24 of this chapter.

(j) If a riverboat relocates under this section, the licensed owner shall pay three million dollars (\$3,000,000) to the department of natural resources on a date established by the licensed owner and the commission in each year that the relocated riverboat is in operation. The department of natural resources shall deposit the payments received under this subsection in the West Baden Springs historic hotel preservation and maintenance fund established under IC 36-7-11.5-11.

(k) If a riverboat relocates under this section, the licensed owner shall pay six million dollars (\$6,000,000) to the city of Evansville. Eighty percent (80%) of the funds received under this subsection must be applied to reduce the property lease payments of the licensed owner of the inland casino located in Evansville.

(l) This section may not be construed to prohibit an approved licensed owner from establishing a Vigo County casino under IC 4-33-9.5.

SECTION 14. IC 4-33-6-6, AS AMENDED BY P.L.255-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: 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)~~ that is contiguous to Lake Michigan or the Ohio River 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, **a riverboat relocated under section 4.5 of this chapter, or a Vigo County casino under IC 4-33-9.5** must comply with all applicable building codes and any safety requirements imposed by the commission.

SECTION 15. IC 4-33-6-24, AS ADDED BY P.L.255-2015, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 24. **(a) This section does not apply to a relocated riverboat in Gary under section 4.5 of this chapter.**

~~(a)~~ **(b)** For purposes of this section, property is considered to be adjacent to a riverboat dock site even if it is separated from the dock site by public rights-of-way or railroad rights-of-way.

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

(1) Except as provided in subsection ~~(c)~~; **(d)**, the casino is located on property that the licensed owner owned or leased and used in the conduct of the licensed owner's gaming operations on February 1, 2015.

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

(3) The casino complies with all applicable building codes and any safety requirements imposed by the commission.

(4) The commission approves the relocation of the licensed owner's gaming operation.

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

(1) acquire part of the public rights-of-way or railroad rights-of-way to form a contiguous parcel with the property owned or leased by the licensed owner on February 1, 2015; and

(2) subject to the other requirements of this section, situate an inland casino on the contiguous parcel formed under subdivision



(1).

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

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

SECTION 16. IC 4-33-6-24.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 24.5. (a) This section applies to a relocated riverboat in Gary under section 4.5 of this chapter.**

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

(1) The casino complies with all applicable building codes and any safety requirements imposed by the commission.

(2) 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.

SECTION 17. IC 4-33-6.5-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 3.5. This section does not apply to the relocation of a casino under IC 4-33-6-4.5. The commission may not enter into an operating contract with an applicant if the operating agent contract would permit the applicant to locate a riverboat less than seventy-five (75) miles from the location of another riverboat licensed under this article or a gambling game facility under IC 4-35, as determined by the distance between the closest point from the proposed location of the applicant's riverboat to the location or another riverboat or gambling game facility.**

SECTION 18. IC 4-33-9.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

Chapter 9.5. Vigo County Casino Operations

Sec. 1. (a) A licensed owner or licensed owners may apply to the commission for permission to operate a Vigo County casino as described in subsections (b) and (c).

(b) A licensed owner is eligible to apply to operate a Vigo County casino if:

(1) the licensed owner holds one (1) of the licenses to operate



1 a riverboat from the city of Gary described in
2 IC 4-33-6-1(a)(1); and

3 (2) the licensed owner intends to transfer the license to
4 operate a casino in a location in Vigo County that is approved
5 by the gaming commission.

6 (c) A licensed owner may apply to operate a Vigo County casino
7 if:

8 (1) the licensed owner operates a riverboat from a county:

9 (A) that is contiguous to Lake Michigan; or

10 (B) on the Ohio River; and

11 (2) the licensed owner intends to operate a satellite location or
12 joint venture satellite location with another licensed owner.

13 (d) The commission may not approve gaming at more than one
14 (1) casino under this chapter.

15 Sec. 2. The commission's approval of an applicant's Vigo
16 County casino application authorizes a licensed owner or permit
17 holder to establish a casino at a location in Vigo County approved
18 by the commission.

19 Sec. 3. The commission shall prescribe the form of the
20 application for permission to operate a casino facility under this
21 chapter. The form must include the following information:

22 (1) The name of the applicant.

23 (2) The street address of the applicant's proposed casino.

24 (3) A description of the proposed gaming facilities and
25 proposed nongaming amenities, such as lodging facilities,
26 dining facilities, and retail facilities, at the proposed casino.

27 (4) The amounts that the applicant will invest in both gaming
28 facilities and nongaming amenities at the proposed casino.

29 (5) The proposed number of gambling games that the
30 applicant seeks permission to operate at the proposed casino.

31 (6) Evidence that the applicant's proposed casino will do the
32 following:

33 (A) Enhance the credibility and integrity of gaming in
34 Indiana.

35 (B) Promote employment and economic development in the
36 area surrounding the proposed casino.

37 (C) Optimize the collection of wagering tax revenue under
38 this article.

39 Sec. 4. Subject to section 1(b) of this chapter, the commission
40 may approve an application submitted under this chapter if the
41 commission finds that:

42 (1) the applicant is planning an investment of at least one



1 hundred fifty million dollars (\$150,000,000) in the
2 development of a casino; and

3 (2) at least fifty percent (50%) of the applicant's proposed
4 investment in the casino is for the development of the
5 proposed nongaming amenities at the casino.

6 Sec. 5. (a) A licensed owner or permit holder operating a casino
7 under this chapter shall pay three million dollars (\$3,000,000) to
8 the department of natural resources on a date established by the
9 licensed owner and the commission in each year that the casino is
10 in operation.

11 (b) The department of natural resources shall deposit the
12 payments received under subsection (a) in the West Baden Springs
13 historic hotel preservation and maintenance fund established
14 under IC 36-7-11.5-11.

15 Sec. 6. A licensed owner or permit holder operating a casino
16 under this chapter shall pay two million dollars (\$2,000,000) by
17 July 15 of each year to the Indiana horse racing commission to be
18 distributed as follows:

19 (1) Forty-six percent (46%) to the breed development fund
20 established for thoroughbreds under IC 4-31-11-10.

21 (2) Forty-six percent (46%) to the breed development fund
22 established for standardbreds under IC 4-31-11-10.

23 (3) Eight percent (8%) to the breed development fund
24 established for quarter horses under IC 4-31-11-10.

25 Sec. 7. A licensed owner or permit holder operating a casino
26 under this chapter shall pay six million dollars (\$6,000,000) to the
27 city of Evansville. Eighty percent (80%) of the funds received
28 under this subsection must be applied to reduce the property lease
29 payments of the licensed owner of the inland casino located in
30 Evansville.

31 SECTION 19. IC 4-33-12-0.5, AS ADDED BY P.L.255-2015,
32 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2019]: Sec. 0.5. This chapter does not apply to **the following**:

34 (1) A riverboat in a historic hotel district.

35 (2) Sports wagering conducted under IC 4-38 at a riverboat.

36 SECTION 20. IC 4-33-12-9, AS AMENDED BY P.L.109-2018,
37 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2019]: Sec. 9. (a) Except as provided in subsections (g)
39 through (j), money paid to a unit of local government under section 6
40 or 8 of this chapter:

41 (1) must be paid to the fiscal officer of the unit and may be
42 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.

(b) Money paid by the treasurer of state to a county convention and visitors bureau or promotion fund under section 6 of this chapter must 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.

(c) Money received by the division of mental health and addiction under section 6 or 8 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.

The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(d) **This subsection does not apply to money distributed with respect to a Vigo County casino under IC 4-33-9.5.** This subsection applies to the following entities receiving money under section 6 or 8 of this chapter:

(1) A city or county.

(2) A county convention and visitors bureau or promotion fund for a county other than Lake County.

(3) The state fair commission.

(4) The division of mental health and addiction.

The treasurer of state shall determine the total amount of money paid



1 by the treasurer of state to an entity subject to this subsection during
 2 the state fiscal year 2002. The amount determined under this subsection
 3 is the base year revenue for each entity subject to this subsection. The
 4 treasurer of state shall certify the base year revenue determined under
 5 this subsection to each entity subject to this subsection.

6 (e) This subsection applies to the following entities receiving money
 7 under section 8 of this chapter:

8 (1) A county convention and visitors bureau for Lake County.

9 (2) The northwest Indiana law enforcement training center.

10 The treasurer of state shall determine the total amount of money paid
 11 by the treasurer of state to the entity described in subdivision (1) during
 12 state fiscal year 2002. The amount determined under this subsection
 13 multiplied by nine-tenths (0.9) is the base year revenue for the entity
 14 described in subdivision (1). The amount determined under this
 15 subsection multiplied by one-tenth (0.1) is the base year revenue for the
 16 entity described in subdivision (2). The treasurer of state shall certify
 17 the base year revenue determined under this subsection to each entity
 18 subject to this subsection.

19 (f) **This subsection does not apply to money distributed with**
 20 **respect to a Vigo County casino under IC 4-33-9.5.** The total amount
 21 of money distributed to an entity under section 6 or 8 of this chapter
 22 during a state fiscal year may not exceed the entity's base year revenue
 23 as determined under subsection (d) or (e). For purposes of this section,
 24 the treasurer of state shall treat any amounts distributed under section
 25 8 of this chapter to the northwest Indiana regional development
 26 authority as amounts constructively received by East Chicago, Gary,
 27 Hammond, and Lake County, as appropriate. If the treasurer of state
 28 determines that the total amount of money:

29 (1) distributed to an entity; and

30 (2) constructively received by an entity;

31 under section 6 or 8 of this chapter during a state fiscal year is less than
 32 the entity's base year revenue, the treasurer of state shall make a
 33 supplemental distribution to the entity under IC 4-33-13-5.

34 (g) The Dearborn County council may vote to direct the county
 35 auditor of Dearborn County to make distributions as described in
 36 subsection (h).

37 (h) If a majority of the Dearborn County council vote to direct the
 38 county auditor of Dearborn County to make distributions under this
 39 subsection, the county auditor of Dearborn County shall distribute
 40 twenty-five percent (25%) of money received under section 6 of this
 41 chapter to cities and towns in Dearborn County that have not received
 42 money under section 6 of this chapter, as of January 1, 2017, and where



1 a riverboat is not located:

2 (1) proportionately using a ratio of the population that each city
3 and town bears to the total population of all cities and towns in
4 Dearborn County where a riverboat is not located; and

5 (2) to the fiscal officer of the city or town.

6 (i) A city or town that receives money as described in subsection
7 (h):

8 (1) may not use the money to reduce the city's or town's maximum
9 levy under IC 6-1.1-18.5;

10 (2) may use the money to reduce the property tax levy of the city
11 or town for a specific year; and

12 (3) may use the money for any legal or corporate purpose of the
13 city or town, including the pledge of money to bonds, leases, or
14 other obligations under IC 5-1-14-4.

15 (j) Money distributed under subsection (h) is considered
16 miscellaneous revenue.

17 (k) **This subsection does not apply to money distributed with**
18 **respect to a Vigo County casino under IC 4-33-9.5.** The treasurer of
19 state shall pay that part of the riverboat admissions taxes that:

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

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

23 SECTION 21. IC 4-33-12-10 IS ADDED TO THE INDIANA
24 CODE AS A NEW SECTION TO READ AS FOLLOWS
25 [EFFECTIVE JULY 1, 2019]: **Sec. 10. (a) This section applies only**
26 **to a riverboat located in Vigo County.**

27 (b) As used in this section, "board" refers to the capital
28 improvement board of managers established under IC 36-10-8 for
29 Vigo County.

30 (c) The treasurer of state shall quarterly pay one dollar (\$1) of
31 the supplemental wagering tax collected by the licensed owner
32 under this chapter for each person admitted to the riverboat
33 during the quarter to the board. The payment required by this
34 subsection is instead of a payment to the fiscal officer of Vigo
35 County under section 6(b)(2) of this chapter.

36 (d) The board may use money received under this section for
37 any lawful purpose of the board.

38 SECTION 22. IC 4-33-13-0.5 IS ADDED TO THE INDIANA
39 CODE AS A NEW SECTION TO READ AS FOLLOWS
40 [EFFECTIVE JULY 1, 2019]: **Sec. 0.5. This chapter does not apply**
41 **to sports wagering conducted under IC 4-38 at a riverboat.**

42 SECTION 23. IC 4-33-13-5, AS AMENDED BY P.L.212-2018(ss),



SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) An amount equal to the following shall be set aside for revenue sharing under subsection (e):

(A) Before July 1, 2021, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(B) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(C) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state year ending June 30, 2020, an amount equal to the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter multiplied by the result of:

(i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by

(ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020;

shall be set aside for revenue sharing under subsection (e).

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

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



- (i) a city described in IC 4-33-12-6(b)(1)(A); or
- (ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

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

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

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, ~~2015~~ **2019**. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) Fifty-six and five-tenths percent (56.5%) shall be paid as follows:

(A) **Sixty-six and four-tenths percent (66.4%) shall be paid** to the state general fund.

(B) **Thirty-three and six-tenths percent (33.6%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).**

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

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

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

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

(B) Fourteen and eight-tenths percent (14.8%) shall be paid to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the county shall provide a formula for the distribution of the money received under this



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

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

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

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

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

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

(H) Twenty-six and four-tenths percent (26.4%) shall be paid to the Indiana economic development corporation established by IC 5-28-3-1 for transfer as follows:

(i) Beginning after December 31, 2017, ten percent (10%) of the amount transferred under this clause in each calendar



1 year shall be transferred to the South Central Indiana
 2 Regional Economic Development Corporation or a
 3 successor entity or partnership for economic development
 4 for the purpose of recruiting new business to Orange County
 5 as well as promoting the retention and expansion of existing
 6 businesses in Orange County.

7 (ii) The remainder of the amount transferred under this
 8 clause in each calendar year shall be transferred to Radius
 9 Indiana or a successor regional entity or partnership for the
 10 development and implementation of a regional economic
 11 development strategy to assist the residents of Orange
 12 County and the counties contiguous to Orange County in
 13 improving their quality of life and to help promote
 14 successful and sustainable communities.

15 To the extent possible, the Indiana economic development
 16 corporation shall provide for the transfer under item (i) to be
 17 made in four (4) equal installments. However, an amount
 18 sufficient to meet current obligations to retire or refinance
 19 indebtedness or leases for which tax revenues under this
 20 section were pledged before January 1, 2015, by the Orange
 21 County development commission shall be paid to the Orange
 22 County development commission before making distributions
 23 to the South Central Indiana Regional Economic Development
 24 Corporation and Radius Indiana or their successor entities or
 25 partnerships. The amount paid to the Orange County
 26 development commission shall proportionally reduce the
 27 amount payable to the South Central Indiana Regional
 28 Economic Development Corporation and Radius Indiana or
 29 their successor entities or partnerships.

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

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



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

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

6 (1) Surplus lottery revenues under IC 4-30-17-3.

7 (2) Surplus revenue from the charity gaming enforcement fund
8 under IC 4-32.2-7-7.

9 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

10 The treasurer of state shall make transfers on a monthly basis as needed
11 to meet the obligations of the build Indiana fund. If in any state fiscal
12 year insufficient money is transferred to the state general fund under
13 subsection (a)(3) to comply with this subsection, the treasurer of state
14 shall reduce the amount transferred to the build Indiana fund to the
15 amount available in the state general fund from the transfers under
16 subsection (a)(3) for the state fiscal year.

17 (e) Except as provided in subsections (l) and (m), before August 15
18 of each year, the treasurer of state shall distribute the wagering taxes
19 set aside for revenue sharing under subsection (a)(1) to the county
20 treasurer of each county that does not have a riverboat according to the
21 ratio that the county's population bears to the total population of the
22 counties that do not have a riverboat. Except as provided in subsection
23 (h), the county auditor shall distribute the money received by the
24 county under this subsection as follows:

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

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

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

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

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

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

40 (3) To fund sewer and water projects, including storm water
41 management projects.

42 (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) Before July 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 or IC 4-33-12-8 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 or IC 4-33-12-8 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-9), 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 4-33-12-9); minus

(2) the sum of:

(A) the total amount of money distributed to the entity and constructively received by the entity during the preceding state fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus

(B) the amount of any admissions taxes deducted under IC 6-3.1-20-7.

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

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

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

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

(i) This subsection applies to a supplemental distribution made after June 30, 2017. The maximum amount of money that may be distributed under subsection (g) in a state fiscal year is equal to the following:

(1) Before July 1, 2021, forty-eight million dollars (\$48,000,000).

(2) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater



than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is forty-eight million dollars (\$48,000,000).

(3) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is equal to the result of:

(A) forty-eight million dollars (\$48,000,000); multiplied by

(B) the result of:

(i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by

(ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020.

If the total amount determined under subsection (g) exceeds the maximum amount determined under this subsection, 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 or IC 4-33-12-8 bears to the total amount distributed under IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental distribution.

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

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

(2) the difference, if any, between:

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

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

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



1 authority revenue fund established under IC 36-7.5-4-1.

2 (k) Money distributed to a political subdivision under subsection
3 (b):

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

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

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

17 (4) is considered miscellaneous revenue.

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

20 (l) After June 30, 2020, the amount of wagering taxes that would
21 otherwise be distributed to South Bend under subsection (e) shall be
22 deposited as being received from all riverboats whose supplemental
23 wagering tax, as calculated under IC 4-33-12-1.5(b), is over three and
24 five-tenths percent (3.5%). The amount deposited under this
25 subsection, in each riverboat's account, is proportionate to the
26 supplemental wagering tax received from that riverboat under
27 IC 4-33-12-1.5 in the month of July. The amount deposited under this
28 subsection must be distributed in the same manner as the supplemental
29 wagering tax collected under IC 4-33-12-1.5. This subsection expires
30 June 30, 2021.

31 (m) After June 30, 2021, the amount of wagering taxes that would
32 otherwise be distributed to South Bend under subsection (e) shall be
33 withheld and deposited in the state general fund.

34 SECTION 24. IC 4-33-13-5.3 IS ADDED TO THE INDIANA
35 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
36 [EFFECTIVE JULY 1, 2019]: **Sec. 5.3. (a) The treasurer of state**
37 **shall determine the total amount of money paid by the treasurer of**
38 **state to an entity subject to this section under section 5 of this**
39 **chapter and IC 4-33-8.5-2 during the state fiscal year 2019. The**
40 **amount determined under this subsection is the base year revenue**
41 **for each entity subject to this subsection. The treasurer of state**
42 **shall certify the base year revenue determined under this**



subsection to each entity subject to this subsection.

(b) This subsection applies if a person holding a riverboat owner's license under IC 4-33-6-1(a)(1) relocates the riverboat to another location in Gary. If the total amount payable to Gary under section 5 of this chapter is greater than the base revenue determined under subsection (a), the treasurer of state shall deduct the lesser of the following from the amount otherwise payable to Gary:

(1) the difference between the base revenue determined for Hammond under subsection (a) and the amount payable to Hammond under section 5 of this chapter; or

(2) the difference between the amount payable to Gary under section 5 of this chapter and the base revenue determined for Gary under subsection (a).

The treasurer of state shall supplement the amount payable to Hammond under section 5 of this chapter with the amount deducted under this subsection.

(c) This subsection applies if a casino is located in Vigo County under IC 4-33-6-4.5 or IC 4-33-9.5. The treasurer of state shall deduct the greater of the following from the amount otherwise payable to Vigo County under section 5 of this chapter:

(1) Zero dollars (\$0); or

(2) The sum of:

(A) the difference between the base revenue determined for Shelby County under subsection (a) and the amount payable to Shelby County under IC 4-35-8.5-2; and

(B) the difference between the base revenue determined for Madison County under subsection (a) and the amount payable to Madison County under IC 4-35-8.5-2.

The treasurer of state shall distribute fifty percent (50%) of the amount deducted under this subsection to the county auditor of Shelby County under IC 4-35-8.5-2 and fifty percent (50%) of the amount deducted under this subsection to the county auditor of Madison County under IC 4-35-8.5-2.

SECTION 25. IC 4-33-13-7, AS AMENDED BY P.L.255-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) This section applies to adjusted gross receipts from wagering on gambling games that occurs after the effective date of this section, as added by SEA 528-2013.

(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



1 operating agent.

2 (c) Subject to subsection (d), a licensed owner or operating agent
3 may at any time during a state fiscal year deduct from the adjusted
4 gross receipts reported by the licensed owner or operating agent
5 adjusted gross receipts attributable to qualified wagering. A licensed
6 owner or operating agent must take a deduction under this section on
7 a form and in the manner prescribed by the department.

8 (d) A licensed owner or operating agent may not deduct more than
9 the following amounts in a particular state fiscal year **with respect to**
10 **the qualified wagering conducted at a particular riverboat:**

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

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

15 (3) Seven million dollars (\$7,000,000) in a state fiscal year
16 beginning after June 30, 2015, **and ending before July 1, 2020.**

17 **(4) Nine million dollars (\$9,000,000) in a state fiscal year**
18 **beginning after June 30, 2020.**

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

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

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

34 SECTION 26. IC 4-35-2-5, AS AMENDED BY P.L.255-2015,
35 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 JULY 1, 2019]: Sec. 5. "Gambling game" means any of the following:

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

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

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



(4) Sports wagering conducted under IC 4-38 at a racetrack.

SECTION 27. IC 4-35-7-11 IS REPEALED [EFFECTIVE JULY 1, 2019]. Sec. 11: (a) Before January 2, 2021, a licensee may not install more than two thousand (2,000) slot machines on the premises of the licensee's racetrack without the approval of the commission.

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

SECTION 28. IC 4-35-7-12, AS AMENDED BY P.L.28-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: 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) (1) Subject to section 12.5 of this chapter, the percentage of the adjusted gross receipts of the gambling game wagering, **not including a table game approved by the commission under section 19 of this chapter**, 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.

(2) Subject to section 12.3 of this chapter, twenty percent (20%) of the adjusted gross receipts of live table game wagering from the previous month at each casino operated by the licensee.

(c) Except for funds allocated to the Indiana horse racing commission under section 12.3 of this chapter, 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



- 1 purses and to horsemen's associations under this subsection as follows:
 2 (1) Five-tenths percent (0.5%) shall be transferred to horsemen's
 3 associations for equine promotion or welfare according to the
 4 ratios specified in subsection (g).
 5 (2) Two and five-tenths percent (2.5%) shall be transferred to
 6 horsemen's associations for backside benevolence according to
 7 the ratios specified in subsection (g).
 8 (3) Ninety-seven percent (97%) shall be distributed to promote
 9 horses and horse racing as provided in subsection (f).
 10 (e) A horsemen's association shall expend the amounts distributed
 11 to the horsemen's association under subsection (d)(1) through (d)(2) for
 12 a purpose promoting the equine industry or equine welfare or for a
 13 benevolent purpose that the horsemen's association determines is in the
 14 best interests of horse racing in Indiana for the breed represented by the
 15 horsemen's association. Expenditures under this subsection are subject
 16 to the regulatory requirements of subsection (h).
 17 (f) A licensee shall distribute the amounts described in subsection
 18 (d)(3) as follows:
 19 (1) Forty-six percent (46%) for thoroughbred purposes as follows:
 20 (A) Fifty-five percent (55%) for the following purposes:
 21 (i) Ninety-seven percent (97%) for thoroughbred purses.
 22 (ii) Two and four-tenths percent (2.4%) to the horsemen's
 23 association representing thoroughbred owners and trainers.
 24 (iii) Six-tenths percent (0.6%) to the horsemen's association
 25 representing thoroughbred owners and breeders.
 26 (B) Forty-five percent (45%) to the breed development fund
 27 established for thoroughbreds under IC 4-31-11-10.
 28 (2) Forty-six percent (46%) for standardbred purposes as follows:
 29 (A) Three hundred seventy-five thousand dollars (\$375,000)
 30 to the state fair commission to be used by the state fair
 31 commission to support standardbred racing and facilities at the
 32 state fairgrounds.
 33 (B) One hundred twenty-five thousand dollars (\$125,000) to
 34 the state fair commission to be used by the state fair
 35 commission to make grants to county fairs and the department
 36 of parks and recreation in Johnson County to support
 37 standardbred racing and facilities at county fair and county
 38 park tracks. The state fair commission shall establish a review
 39 committee to include the standardbred association board, the
 40 Indiana horse racing commission, the Indiana county fair
 41 association, and a member of the board of directors of a county
 42 park established under IC 36-10 that provides or intends to



provide facilities to support standardbred racing, to make recommendations to the state fair commission on grants under this clause. A grant may be provided to the Johnson County fair or department of parks and recreation under this clause only if the county fair or department provides matching funds equal to one dollar (\$1) for every three dollars (\$3) of grant funds provided.

(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



1 expenditure of money distributed under this section to ensure that the
 2 requirements of this section are satisfied. The Indiana horse racing
 3 commission shall adopt rules concerning the review and oversight of
 4 money distributed under this section and shall adopt rules concerning
 5 the enforcement of this section. The following apply to a horsemen's
 6 association receiving a distribution of money under this section:

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

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

13 The state board of accounts shall audit the accounts, books, and records
 14 of the Indiana horse racing commission. Each horsemen's association,
 15 a licensee, and any association for backside benevolence ~~containing~~
 16 ~~any information relating to the distribution of money under this section~~
 17 **shall submit to an annual audit of their accounts, books, and**
 18 **records relating to the distribution of money under this section.**
 19 **The audit shall be performed by an independent public accountant**
 20 **and the audit report shall be provided to the Indiana horse racing**
 21 **commission.**

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

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

30 (1) issue a warning to the licensee;

31 (2) impose a civil penalty that may not exceed one million dollars
 32 (\$1,000,000); or

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

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

37 SECTION 29. IC 4-35-7-12.3 IS ADDED TO THE INDIANA
 38 CODE AS A NEW SECTION TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2019]: **Sec. 12.3. (a) A licensee shall**
 40 **distribute the amounts described in section 12(b)(2) of this chapter**
 41 **as follows:**

42 (1) The greater of sixteen percent (16%) of adjusted gross



receipts or one million six hundred thousand dollars (\$1,600,000) annually to the Indiana horse racing commission operating fund to be used for the regulation of the horse racing industry.

(2) The remaining adjusted gross receipts shall be distributed as follows:

(A) Forty-six percent (46%) to the breed development fund established for thoroughbreds under IC 4-31-11-10.

(B) Forty-six percent (46%) for standardbred purposes described in IC 4-35-7-12(f)(2).

(C) Eight percent (8%) to the breed development fund established for quarter horses under IC 4-31-11-10.

(b) Money distributed under this section shall be used for purses or monetary awards in the Indiana racing program for each breed receiving distributed funds under subsection (a)(2).

SECTION 30. IC 4-35-7-12.5, AS ADDED BY P.L.213-2015, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12.5. (a) This section applies to adjusted gross receipts received after June 30, 2015.

(b) A licensee shall annually withhold the product of:

(1) seventy-five thousand dollars (\$75,000); multiplied by

(2) the number of racetracks operated by the licensee;

from the amount that must be distributed under section ~~12(b)(3)~~ **12(b)(1)** of this chapter.

(c) A licensee shall transfer the amount withheld under subsection (b) to the Indiana horse racing commission for deposit in the gaming integrity fund established by IC 4-35-8.7-3. Money transferred under this subsection must be used for the purposes described in IC 4-35-8.7-3(f)(1).

SECTION 31. IC 4-35-7-13, AS AMENDED BY P.L.95-2008, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 13. (a) The definitions in IC 3-5-2 apply to this section to the extent they do not conflict with the definitions in this article.

(b) As used in this section, "candidate" refers to any of the following:

(1) A candidate for a state office.

(2) A candidate for a legislative office.

(3) A candidate for a local office.

(c) As used in this section, "committee" refers to any of the following:

(1) A candidate's committee.



(2) A regular party committee.

(3) A committee organized by a legislative caucus of the house of the general assembly.

(4) A committee organized by a legislative caucus of the senate of the general assembly.

(d) Money distributed to a horsemen's association under section 12 of this chapter may not be used for any of the following purposes:

(1) to make a contribution to a candidate or a committee.

(2) For lobbying (as defined in IC 2-7-1-9).

SECTION 32. IC 4-35-7-16, AS AMENDED BY P.L.255-2015, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 16. (a) The amount of gambling game revenue that must be distributed under section 12(b)(3) **12(b)(1) and 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 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 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 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)(3)~~ **12(b)(1) and 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 33. IC 4-35-7-17, AS ADDED BY P.L.210-2013, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 17. (a) Subject to subsection (b), if:

(1) a distribution agreement is not submitted to the Indiana horse racing commission before the deadlines imposed by section 16 of this chapter; or

(2) the Indiana horse racing commission is unable to approve a distribution agreement;

the Indiana horse racing commission shall determine the percentage of a licensee's adjusted gross receipts that must be distributed under section **12(b)(1) and 12(b)(2)** of this chapter.

(b) The Indiana horse racing commission shall give the negotiation committees an opportunity to correct any deficiencies in a proposed distribution agreement before making a determination of the applicable percentage under subsection (a).

(c) The Indiana horse racing commission shall consider the factors used to evaluate a distribution agreement under section 18 of this



chapter when making a determination under subsection (a).

SECTION 34. IC 4-35-7-19, AS ADDED BY P.L.255-2015, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 19. (a) After ~~March 1, 2021~~, **July 1, 2019**, and ~~before June 30, 2021~~, a licensee may submit a plan to the commission for conducting wagering on table games at the licensee's gambling game facility. ~~The commission shall consider a plan submitted under this subsection within forty-five (45) days of receiving the plan.~~

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

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

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

(c) ~~(b) Upon receipt of a~~ After considering a plan submitted under subsection (a) and the criteria described in subsection (b), ~~that meets the requirements under IC 4-33 for table games at riverboats,~~ the commission ~~may~~ **shall** authorize wagering on table games at the licensee's gambling game facility.

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

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

SECTION 35. IC 4-35-8-1, AS AMENDED BY P.L.212-2018(ss), SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) A graduated slot machine gambling game 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, on ninety-one and five-tenths percent (91.5%) of the adjusted gross receipts received after June 30, 2013, and before July 1, 2015, and on eighty-eight percent (88%) of the adjusted gross receipts received after June 30, 2015; from wagering on gambling games 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 gambling game tax is imposed on eighty-eight percent (88%) of the adjusted gross receipts received from wagering on table games authorized under this article. The tax is equal to twenty percent (20%) of the adjusted gross receipts received by a licensee during the period beginning July 1 of each year and ending June 30 the following year.

~~(b)~~ (c) A licensee shall do the following:

(1) Remit the daily amount of tax imposed by this section to the department on the twenty-fourth calendar day of each month. Any taxes collected during the month but after the day on which the taxes are required to be paid shall be paid to the department at the same time the following month's taxes are due.

(2) Report gaming activity information to the commission daily on forms prescribed by the commission.

~~(c)~~ (d) The payment of the tax under this section must be in a manner prescribed by the department.

~~(d)~~ (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.

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

SECTION 36. IC 4-35-8-5, AS AMENDED BY P.L.255-2015, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) This section applies to adjusted gross receipts from wagering on gambling games that occurs after the effective date of this section, as added by SEA 528-2013.

(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, 2015.

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

(4) Nine million dollars (\$9,000,000) in a state fiscal year beginning after June 30, 2020.

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

(1) IC 4-35-7-12.

(2) IC 4-35-8.5.

(3) IC 4-35-8.9.

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

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

(2) the amount deducted under this subsection by the licensee for the state fiscal year.

SECTION 37. IC 4-38 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

ARTICLE 38. SPORTS WAGERING

Chapter 1. General Provisions

Sec. 1. Pursuant to 15 U.S.C. 1172, approved January 2, 1951, the state of Indiana, acting by and through duly elected and qualified members of the legislature, does declare and proclaim that the state is exempt from the provisions of 15 U.S.C. 1172.

Sec. 2. All shipments of gambling devices used to conduct sports wagering under this article to an operating agent, a licensed owner, or a permit holder in Indiana, the registering, recording, and



1 labeling of which have been completed by the manufacturer or
 2 dealer thereof in accordance with 15 U.S.C. 1171 through 1178, are
 3 legal shipments of gambling devices into Indiana.

4 Sec. 3. The commission shall regulate and administer sports
 5 wagering conducted by a certificate holder or vendor under this
 6 article.

7 Sec. 4. The commission has the following powers and duties for
 8 the purpose of administering, regulating, and enforcing the system
 9 of sports wagering authorized under this article:

10 (1) All powers and duties specified in this article.

11 (2) All powers necessary and proper to fully and effectively
 12 execute this article.

13 (3) Jurisdiction and supervision over the following:

14 (A) All sports wagering operations in Indiana.

15 (B) All persons at licensed facilities where sports wagering
 16 is conducted.

17 (4) Any power specified in IC 4-33 or IC 4-35 concerning the
 18 supervision of persons conducting gambling games, patrons
 19 wagering on gambling games, and the facilities in which
 20 gambling games are conducted.

21 (5) To investigate and reinvestigate applicants, certificate
 22 holders, licensees, and vendors.

23 (6) To investigate alleged violations of this article.

24 (7) To revoke, suspend, or renew certificates and licenses
 25 under this article.

26 (8) To take any reasonable or appropriate action to enforce
 27 this article.

28 Sec. 5. The commission may do the following:

29 (1) Take appropriate administrative enforcement or
 30 disciplinary action against a person who violates this article.

31 (2) Conduct hearings.

32 (3) Issue subpoenas for the attendance of witnesses and
 33 subpoenas duces tecum for the production of books, records,
 34 and other relevant documents.

35 (4) Administer oaths and affirmations to witnesses.

36 Chapter 2. Definitions

37 Sec. 1. The definitions set forth in this chapter apply throughout
 38 this article unless the context clearly denotes otherwise.

39 Sec. 2. "Adjusted gross receipts" means:

40 (1) the total of all cash and property (including checks
 41 received by a certificate holder, whether collected or not)
 42 received by a certificate holder from sports wagering; minus



(2) the total of:

(A) all cash paid out as winnings to sports wagering patrons; and

(B) uncollectible gaming receivables, not to exceed the lesser of:

(i) a reasonable provision for uncollectible patron checks received from sports wagering; or

(ii) two percent (2%) of the total of all sums (including checks, whether collected or not) less the amount paid out as winnings to sports wagering patrons.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the certificate holder from sports wagering.

Sec. 3. "Amateur youth sporting event" refers to any sporting event in which an individual:

(1) must be less than eighteen (18) years of age to participate; and

(2) is prohibited, as a condition of participating in the sporting event, from receiving direct or indirect compensation for the use of the individual's athletic skill in any manner with respect to the sport in which the particular sporting event is conducted.

Sec. 4. "Certificate holder" means a licensed owner, operating agent, or permit holder issued a certificate of authority by the commission authorizing the licensed owner, operating agent, or permit holder to conduct sports wagering independently or through a vendor under this article.

Sec. 5. "Commission" refers to the Indiana gaming commission established by IC 4-33-3-1.

Sec. 6. "Department" refers to the department of state revenue.

Sec. 7. "E-sports" means a single player or multiplayer video game played competitively, typically by professional gamers.

Sec. 8. "Geofence" means a virtual geographic boundary defined by GPS or RFID technology, which enables software to trigger a response when a mobile device enters or leaves a particular area.

Sec. 9. "Gross receipts" means the total amount of money exchanged for the purchase of electronic cards by sports wagering patrons.

Sec. 10. "In-play wagering" refers to the practice of placing a wage after a sporting event has started.

Sec. 11. "Licensed facility" means any of the following:



1 (1) A satellite facility operated under IC 4-31-5.5.

2 (2) A riverboat operated under IC 4-33.

3 (3) A gambling game facility operated under IC 4-35.

4 (4) A Vigo County casino under IC 4-33-9.5.

5 (5) A relocated riverboat under IC 4-33-6-4.5.

6 Sec. 12. "Licensed owner" has the meaning set forth in
7 IC 4-33-2-13.

8 Sec. 13. "Occupational license" means a license issued by the
9 commission under IC 4-33-8.

10 Sec. 14. "Operating agent" means a person with whom the
11 commission has entered into a contract under IC 4-33-6.5 to
12 operate a riverboat in a historic hotel district.

13 Sec. 15. "Permit holder" has the meaning set forth in
14 IC 4-31-2-14.

15 Sec. 16. "Person" means an individual, a sole proprietorship, a
16 partnership, an association, a fiduciary, a corporation, a limited
17 liability company, or any other business entity.

18 Sec. 17. "Riverboat" has the meaning set forth in IC 4-33-2-17.

19 Sec. 18. "Sports wagering" refers to wagering conducted under
20 this article on athletic and sporting events involving human
21 competitors. The term does not include pari-mutuel wagering on
22 horse racing or money spent to participate in paid fantasy sports
23 under IC 4-33-24.

24 Sec. 19. "Sports wagering device" refers to a mechanical,
25 electrical, or computerized contrivance, terminal, device,
26 apparatus, piece of equipment, or supply approved by the
27 commission for conducting sports wagering under this article.

28 Sec. 20. "Sports wagering service provider" means a person
29 that contracts with a certificate holder, a vendor, or an applicant
30 for a certificate of authority under IC 4-38-4 or vendor's license to:

31 (1) sell, lease, offer, or otherwise provide or distribute a sports
32 wagering device or associated equipment;

33 (2) service a sports wagering device or associated equipment;
34 or

35 (3) provide risk management services, integrity services, or
36 odds.

37 Sec. 21. "Sports wagering service provider license" means a
38 license issued under IC 4-38-7.

39 Sec. 22. "Supplier's license" means a license issued under
40 IC 4-33-7.

41 Sec. 23. "Vendor" means a person with whom a certificate
42 holder contracts for either of the following:



(1) Conducting or managing sports wagering operations within a licensed facility.

(2) Conducting sports wagering through mobile devices under IC 4-38-5-10.

Sec. 24. "Vendor's license" means a license issued to a vendor under IC 4-38-6.

Chapter 3. Administrative Rules

Sec. 1. The commission shall adopt rules under IC 4-22-2, including emergency rules in the manner provided under IC 4-22-2-37.1, to implement this article. Rules adopted under this section must include the following:

(1) Standards for the conduct of sports wagering under this article.

(2) Standards and procedures to govern the conduct of sports wagering, including the manner in which:

(A) wagers are received;

(B) payouts are paid; and

(C) point spreads, lines, and odds are determined.

(3) Standards for allowing a certificate holder to offer sports wagering as an interactive form of gaming.

(4) Standards for allowing a certificate holder to accept wagers through a mobile device under IC 4-38-5-10.

(5) Rules prescribing the manner in which a certificate holder's books and financial records relating to sports wagering are maintained and audited, including standards for the daily counting of a certificate holder's gross receipts from sports wagering and standards to ensure that internal controls are followed.

(6) Rules concerning the detection and prevention of compulsive gambling.

(7) Standards for approving procedures and technologies necessary to comply with the requirements of IC 4-38-9.

(8) Standards for approving procedures and technologies necessary for a certificate holder or vendor to securely and efficiently maintain and store records of all bets and wagers placed with the certificate holder or vendor.

(9) Rules establishing geofence standards concerning where a wager may and may not be placed, including:

(A) only placing wagers within the boundaries of Indiana; and

(B) prohibiting wagers at the location of particular sporting events.



1 **Sec. 2. Rules adopted under section 1 of this chapter must**
 2 **require a certificate holder to do the following:**

3 **(1) Designate an area within the licensed facility operated by**
 4 **the certificate holder for sports wagering conducted under**
 5 **this article.**

6 **(2) Ensure that the certificate holder's surveillance system**
 7 **covers all areas of the certificate holder's licensed facility in**
 8 **which sports wagering is conducted.**

9 **(3) Allow the commission to be present through the**
 10 **commission's gaming agents during the time sports wagering**
 11 **is conducted in all areas of the certificate holder's licensed**
 12 **facility in which sports wagering is conducted to do the**
 13 **following:**

14 **(A) Ensure maximum security of the counting and storage**
 15 **of the sports wagering revenue received by the certificate**
 16 **holder.**

17 **(B) Certify the sports wagering revenue received by the**
 18 **certificate holder.**

19 **(C) Receive complaints from the public.**

20 **(D) Conduct other investigations into the conduct of sports**
 21 **wagering and the maintenance of the equipment that the**
 22 **commission considers necessary and proper for sports**
 23 **wagering.**

24 **(4) Ensure that individuals who are less than twenty-one (21)**
 25 **years of age do not make wagers under this article.**

26 **(5) Provide written information to sports wagering patrons**
 27 **about sports wagering, payouts, winning wagers, and other**
 28 **information considered relevant by the commission.**

29 **Chapter 4. Authority to Conduct Sports Wagering**

30 **Sec. 1. A person holding a certificate of authority issued under**
 31 **this chapter is authorized to conduct sports wagering under this**
 32 **article after June 30, 2019.**

33 **Sec. 2. Beginning July 1, 2019, the commission may accept**
 34 **applications for a certificate of authority from any licensed owner,**
 35 **operating agent, or permit holder that wishes to conduct sports**
 36 **wagering under this article. The commission shall prescribe the**
 37 **form of the application.**

38 **Sec. 3. (a) A licensed owner, operating agent, or permit holder**
 39 **that wishes to offer sports wagering under this article at a**
 40 **riverboat operated under IC 4-33 or a gambling game facility**
 41 **operated under IC 4-35 must do the following:**

42 **(1) Submit an application to the commission in the manner**



prescribed by the commission for each licensed facility in which the applicant wishes to conduct sports wagering.

(2) Pay an initial fee of one hundred thousand dollars (\$100,000).

(b) A permit holder that wishes to offer sports wagering under this article at a satellite facility operated under IC 4-31-5.5 must:

(1) Submit an application to the commission in the manner prescribed by the commission for each satellite facility in which the applicant wishes to conduct sports wagering.

(2) Pay an initial fee of one hundred thousand dollars (\$100,000).

Sec. 4. Upon:

(1) receipt of the application and fee required by section 3 of this chapter; and

(2) approving the submitted application;

the commission shall issue a certificate of authority to a licensed owner, an operating agent, or a permit holder authorizing the licensed owner, operating agent, or permit holder to conduct sports wagering under this article in a designated licensed facility.

Sec. 5. The commission shall deposit fees received under section 3 of this chapter in the sports wagering fund established by IC 4-38-8-2.

Chapter 5. Conduct of Sports Wagering

Sec. 1. (a) The commission shall test new sports wagering devices and new forms, variations, or composites of sports wagering under the terms and conditions that the commission considers appropriate before authorizing a certificate holder to offer a new sports wagering device or a new form, variation, or composite of sports wagering.

(b) A certificate holder shall provide all data relating to the conduct of sports wagering to the commission.

(c) The commission may provide data received from a certificate holder to any governing body conducting a sporting event described in section 4(a) of this chapter.

Sec. 2. A certificate holder shall designate an area within each licensed facility in which the certificate holder is authorized to conduct sports wagering under this article. Except as provided in section 9 of this chapter, sports wagering may not be conducted at any location other than the area designated under this section.

Sec. 3. (a) Except as provided in subsection (b), a person who is less than twenty-one (21) years of age may not be present in an area where sports wagering is being conducted.



(b) A person who is at least eighteen (18) years of age and who is an employee of a certificate holder's licensed facility may be present in an area where sports wagering is conducted. However, an employee who is less than twenty-one (21) years of age may not perform any function involving sports wagering by the patrons.

Sec. 4. (a) A certificate holder or vendor may accept wagers on professional and collegiate sporting events approved for sports wagering by the commission. Except as provided in subsection (c), a certificate holder or vendor may use data selected in its discretion to determine whether a wager is a winning wager.

(b) A certificate holder or vendor may not accept wagers on e-sports regardless of whether the e-sports event involves one (1) or multiple players.

(c) In-play wagering is authorized under this article. A certificate holder or vendor must determine that an in-play wager is a winning wager using only official data provided by the governing body conducting a sporting event described in subsection (a).

Sec. 5. A certificate holder or vendor may not accept wagers on the following:

(1) High school and other amateur youth sporting events.

(2) A sporting event that has not been approved for sports wagering by the commission.

Sec. 6. A certificate holder or vendor may not cancel wagering on a particular sporting event after posting odds and beginning to accept wagers on the sporting event. A certificate holder or vendor must pay winning patrons following the end of the sporting event.

Sec. 7. A certificate holder or vendor may not permit any sports wagering on the premises of a licensed facility except as permitted by this article.

Sec. 8. (a) A sports wagering device, platform, or other means of conducting sports wagering must be:

(1) approved by the commission; and

(2) acquired by a certificate holder or vendor from a person holding both a supplier's license and a sports wagering service provider license.

(b) The commission shall determine whether other supplies and equipment used to conduct sports wagering require a certificate holder to acquire the supplies and equipment from a person holding both a supplier's license and a sports wagering service provider license.

(c) IC 4-33-7 applies to the distribution of sports wagering



1 devices and the conduct of sports wagering under this article.

2 **Sec. 9.** The commission shall determine the occupations related
3 to sports wagering that require an occupational license. IC 4-33-8
4 applies to the conduct of sports wagering under this article.

5 **Sec. 10.** A certificate holder or vendor may accept wagers
6 placed using a mobile device from a patron if the patron registers
7 with the certificate holder or vendor as a mobile device user and
8 acquires any necessary mobile device applications from the
9 certificate holder. A patron may register under this section in
10 person at the certificate holder's licensed facility or online using an
11 Internet form approved by the commission.

12 **Sec. 11.** IC 4-31-6-11, IC 4-33-4-27, IC 4-33-8.5, IC 4-35-4-16,
13 and IC 4-35-6.7 apply, as appropriate, to sports wagering
14 conducted at a licensed facility.

15 **Sec. 12. (a)** This section applies to sports wagering conducted at
16 a satellite facility by a certificate holder that is a permit holder.

17 **(b)** A certificate issued under this article is null and void if the
18 certificate holder fails to:

19 (1) maintain a license issued under IC 4-31-5.5 to operate the
20 satellite facility; or

21 (2) satisfy the conditions for obtaining a satellite facility
22 license set forth in IC 4-31-5.5-3(b)(3) in the certificate
23 holder's operation of the satellite facility.

24 **Chapter 6. Vendors**

25 **Sec. 1.** A person must hold a license issued under this chapter
26 before entering into a contract as a vendor with a certificate
27 holder.

28 **Sec. 2.** The commission may issue a vendor's license to a
29 qualified applicant.

30 **Sec. 3. (a)** A person applying for a vendor's license under this
31 chapter must pay a nonrefundable application fee of one hundred
32 thousand dollars (\$100,000) to the commission. The commission
33 shall deposit fees received under this section in the sports wagering
34 fund established by IC 4-38-8-2.

35 **(b)** An applicant must submit the following on forms provided
36 by the commission:

37 (1) If the applicant is an individual, two (2) sets of the
38 individual's fingerprints.

39 (2) If the applicant is not an individual, two (2) sets of
40 fingerprints for each officer and director of the applicant.

41 **(c)** The commission shall review the applications for a vendor's
42 license under this chapter and shall inform each applicant of the



1 commission's decision concerning the issuance of the vendor's
2 license.

3 (d) The costs of investigating an applicant for a vendor's license
4 under this chapter shall be paid from the application fee paid by
5 the applicant.

6 (e) An applicant for a vendor's license under this chapter must
7 pay all additional costs that are:

8 (1) associated with the investigation of the applicant; and

9 (2) greater than the amount of the application fee paid by the
10 applicant.

11 Sec. 4. In determining whether to grant a vendor's license to an
12 applicant, the commission shall consider the character, reputation,
13 experience, and financial integrity of the following:

14 (1) The applicant.

15 (2) A person that:

16 (A) directly or indirectly controls the applicant; or

17 (B) is directly or indirectly controlled by the applicant or
18 by a person that directly or indirectly controls the
19 applicant.

20 Sec. 5. (a) The state police department may assist the
21 commission in conducting background investigations of applicants
22 for a vendor's license. The commission may forward all
23 fingerprints required to be submitted by license applicants under
24 this chapter to the Federal Bureau of Investigation or any other
25 agency for the purpose of screening applicants. The commission
26 shall reimburse the state police department for the costs incurred
27 by the state police department as a result of the assistance. The
28 commission shall make the payment from fees collected from
29 applicants.

30 (b) The commission through its gaming agents shall conduct
31 background investigations of applicants. Costs incurred conducting
32 the investigations must be paid from fees collected from applicants.

33 Sec. 6. A person holding a vendor's license shall pay to the
34 commission an annual administrative fee of fifty thousand dollars
35 (\$50,000). The fee imposed by this section is due one (1) year after
36 the date that the vendor begins performing services under a
37 contract with a certificate holder in the conduct of sports wagering
38 under this article and on each annual anniversary date thereafter.
39 The commission shall deposit the administrative fees received
40 under this section in the sports wagering fund.

41 Sec. 7. A certificate holder may not contract with more than
42 three (3) vendors.



Chapter 7. Sports Wagering Service Providers

Sec. 1. A person must hold a license issued under this chapter before entering into a contract as a sports wagering service provider with a certificate holder, a vendor, or an applicant for a certificate of authority under IC 4-38-4 or a vendor's license.

Sec. 2. The commission may issue a sports wagering service provider license to a qualified applicant.

Sec. 3. (a) A person applying for a sports wagering service provider license under this chapter must pay a nonrefundable application fee of one hundred thousand dollars (\$100,000) to the commission. The commission shall deposit fees received under this section in the sports wagering fund established by IC 4-38-8-2.

(b) An applicant must submit a completed application on a form prescribed by the commission.

Sec. 4. While considering a person's application for a sports wagering service provider license, the commission may issue the person a temporary license to conduct business under this article if the following criteria are met:

(1) The person has filed with the commission either of the following:

(A) A completed application.

(B) A substantially complete application as determined by the commission.

(2) The person agrees in writing to the following conditions of the temporary license issued under this section:

(A) The temporary license does not create a right or privilege to continue conducting business under this article if the person's application for a sports wagering service provider license is rejected by the commission.

(B) The commission may rescind the person's temporary license and the authority to conduct business under this article at any time, with or without notice to the person, if:

(i) the commission is informed that the suitability of the person may be at issue; and

(ii) the person fails to cooperate with the commission in the commission's investigation into the qualifications and suitability of the person for a sports wagering service provider license.

Sec. 5. When reviewing a person's application for a sports wagering service provider license, the commission:

(1) shall consider the suitability findings of other jurisdictions in which the person is licensed, certified, or authorized to



1 conduct business as a sports wagering service provider; and
 2 (2) may waive requirements set forth in the application form
 3 prescribed by the commission if:

4 (A) the suitability findings of other jurisdictions provide
 5 sufficient information to fully consider the person's
 6 application; and

7 (B) the person provides all the information otherwise
 8 requested by the commission.

9 **Chapter 8. Annual License Fees**

10 **Sec. 1.** A certificate holder shall pay to the commission an
 11 annual administrative fee of fifty thousand dollars (\$50,000). The
 12 fee imposed by this section is due one (1) year after the date that
 13 the certificate holder commences sports wagering operations under
 14 this article and on each annual anniversary date thereafter. The
 15 commission shall deposit the administrative fees received under
 16 this section in the sports wagering fund.

17 **Sec. 2. (a)** The sports wagering fund is established.

18 **(b)** The commission shall administer the fund.

19 **(c)** The fund consists of the following:

20 (1) Initial fees deposited in the fund under IC 4-38-4-5.

21 (2) Fees deposited in the fund under IC 4-38-6.

22 (3) Fees deposited in the fund under IC 4-38-7.

23 (4) Administrative fees deposited in the fund under section 1
 24 of this chapter.

25 **Chapter 9. Integrity Requirements**

26 **Sec. 1. (a)** A certificate holder or vendor shall conduct:

27 (1) background checks on newly hired employees engaged in
 28 activities related to the conducting of sports wagering; and

29 (2) annual background checks on all existing employees
 30 engaged in activities related to the conducting of sports
 31 wagering.

32 A background check conducted under this section must include a
 33 search for criminal history and any charges or convictions
 34 involving corruption or manipulation of sporting events and any
 35 association with organized crime.

36 **(b)** A person may not obtain any of the following required for
 37 conducting business under this article unless the person meets the
 38 suitability requirements determined by the commission:

39 (1) A vendor's license.

40 (2) A sports wagering service provider license.

41 (3) A supplier's license.

42 (4) An occupational license.



1 **Sec. 2. (a) A certificate holder, vendor, or sports wagering**
 2 **service provider shall employ commercially reasonable methods to**
 3 **maintain the security of wagering data, customer data, and other**
 4 **confidential information from unauthorized access and**
 5 **dissemination.**

6 **(b) Nothing in this article precludes the use of Internet or cloud**
 7 **based hosting of data described in subsection (a) or any disclosure**
 8 **of information required by court order, other law, or this article.**

9 **Sec. 3. The commission shall prohibit a certificate holder or**
 10 **vendor from accepting wagers placed by any of the following:**

11 **(1) A partnership, a corporation, an association, or any other**
 12 **entity that is not an individual.**

13 **(2) A person who is not at least twenty-one (21) years of age.**

14 **(3) A certificate holder, a vendor, a director, officer, or**
 15 **employee of a certificate holder or vendor, or a relative of a**
 16 **certificate holder or vendor.**

17 **(4) A sports wagering service provider, a director, officer, or**
 18 **employee of a sports wagering service provider, or a relative**
 19 **of a sports wagering service provider.**

20 **(5) With respect to a sporting event sponsored, organized, or**
 21 **conducted by a particular sports governing body, any of the**
 22 **following:**

23 **(A) An employee of the sports governing body.**

24 **(B) A game official employed by or under contract with the**
 25 **sports governing body.**

26 **(C) A coach, manager, or other personnel employed by or**
 27 **under contract with a member club of the sports governing**
 28 **body.**

29 **(D) An athlete who is:**

30 **(i) under contract with a member club of the sports**
 31 **governing body in the case of a team sport; or**

32 **(ii) eligible to participate in events conducted by the**
 33 **sports governing body in the case of an individual sport.**

34 **(E) An employee of a union representing athletes or game**
 35 **officials.**

36 **(F) A relative of an individual described in clauses (A)**
 37 **through (E).**

38 **(6) An individual convicted of a state or federal crime relating**
 39 **to sports wagering.**

40 **Sec. 4. (a) The commission may use information received from**
 41 **a sports governing body to determine whether to allow:**

42 **(1) wagering on a particular event; or**



(2) patrons to make wagers of a particular type.

(b) If a sports governing body requests wagering information or requests the commission to prohibit wagering on a particular event or making wagers of a particular type, the commission shall grant the request upon a demonstration of good cause from the sports governing body.

(c) The commission shall respond to a request from a sports governing body concerning a particular event:

(1) before the start of the event; or

(2) if it is not feasible to respond before the start of the event, as expeditiously as possible.

Sec. 5. The commission and each certificate holder or vendor shall cooperate with investigations conducted by sports governing bodies or law enforcement agencies, including by providing or facilitating the provision of betting information and audio or video files relating to persons placing wagers. Information shared under this section is confidential.

Sec. 6. A certificate holder or vendor shall immediately report to the commission any information relating to:

(1) criminal or disciplinary proceedings commenced against the certificate holder or vendor in connection with its operations;

(2) bets or wagers that violate state or federal law;

(3) abnormal betting activity or patterns that may indicate a concern regarding the integrity of a sporting event or events;

(4) any potential breach of the relevant sport's governing body's internal rules and codes of conduct pertaining to sports wagering;

(5) any other conduct that corrupts a betting outcome of a sporting event or events for purposes of financial gain; and

(6) suspicious or illegal wagering activities, including use of funds derived from illegal activity, wagers to conceal or launder funds derived from illegal activity, using agents to place wagers, and using false identification.

A certificate holder or vendor shall also immediately report information relating to conduct described in subdivision (3), (4), or (5) to the relevant sports governing body.

Sec. 7. A certificate holder or vendor shall maintain the confidentiality of information provided by a sports governing body to the certificate holder or vendor, unless disclosure is required by this article, the commission, other law, or court order.

Sec. 8. Information provided to the commission by a sports



governing body is confidential and may not be disclosed under IC 5-14.

SECTION 38. IC 6-8.1-1-1, AS AMENDED BY P.L.212-2018(ss), SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1."Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the supplemental wagering tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the slot machine gambling game wagering tax (IC 4-35-8); 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) (repealed); the county option income tax (IC 6-3.5-6) (repealed); the county economic development income tax (IC 6-3.5-7) (repealed); the local income tax (IC 6-3.6); 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 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 heavy equipment rental excise tax (IC 6-6-15); 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 oil inspection fee (IC 16-44-2); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-20-18); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-20-18); and any other tax or fee that the department is required to collect or administer.

SECTION 39. IC 35-45-5-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 14. This chapter does not apply to sports wagering conducted under IC 4-38.**

SECTION 40. IC 36-7-11.5-11, AS AMENDED BY P.L.255-2015, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: 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 (before the enactment of P.L.96-2010), IC 4-33-13-5(b) (before July 1, 2015), IC 6-9-45.5, and IC 6-9-45.6.

(2) Grants and gifts that the department of natural resources receives for the fund under terms, obligations, and liabilities that the department considers appropriate.

(3) The one million dollar (\$1,000,000) initial fee paid to the gaming commission under IC 4-33-6.5.

(4) Any amount transferred to the fund upon the repeal of IC 36-7-11.5-8 (the community trust fund).

(5) Amounts paid to the department of natural resources under IC 4-33-6-4.5(j) and IC 4-33-9.5-5(b).

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

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

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

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

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

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

(A) the grounds surrounding a qualified historic hotel;

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

(C) other facilities used by the guests of the qualified historic hotel;

as determined by the owner of the hotel riverboat resort.



1 The department of natural resources shall promptly pay each claim for
2 a purpose described in this subsection, without review or approval of
3 the project or claim under IC 14-21 or IC 36-7-11. IC 14-21-1-18 does
4 not apply to projects or claims paid for maintenance under this section.
5 If insufficient money is available to fully pay all of the submitted
6 claims, the department of natural resources shall pay the claims in the
7 order in which they are received until each claim is fully paid.
8 (f) Notwithstanding IC 4-9.1-1-7, IC 4-12-1-12, IC 4-13-2-18, or
9 any other law, interest accruing to the fund may not be withheld,
10 transferred, assigned, or reassigned to a purpose other than the
11 reimbursement of claims under subsection (e).



COMMITTEE REPORT

Madam President: The Senate Committee on Public Policy, to which was referred Senate Bill No. 552, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 3, after "a" insert "**single player or**".

Page 2, delete lines 1 through 20.

Page 5, between lines 14 and 15, begin a new paragraph and insert:

"(c) This subsection does not apply to the relocation of a casino under IC 4-33-6-4.5. The commission may not issue a license to an applicant if the issuance of the license would permit the applicant to locate a riverboat less than seventy-five (75) miles from the location of another riverboat licensed under this article or a gambling game facility under IC 4-35, as determined by the distance between the closest point from the proposed location of the applicant's riverboat to the location of another riverboat or gambling game facility."

Page 6, line 18, delete "Lake County" and insert "**Gary**".

Page 6, line 26, delete "a" and insert "**an**".

Page 6, line 30, delete "the county to which the riverboat is" and insert "**Vigo County**".

Page 6, line 31, delete "relocating".

Page 6, line 33, delete "a county" and insert "**Vigo County**".

Page 6, line 34, delete "county" and insert "**Vigo County**".

Page 6, line 35, delete "the county" and insert "**Vigo County**".

Page 6, line 37, delete "____" and insert "**Vigo**".

Page 7, line 3, delete "a county" and insert "**Vigo County**".

Page 7, line 3, delete "the county" and insert "**Vigo County**".

Page 7, line 5, delete "that county" and insert "**Vigo County**".

Page 7, line 6, delete "the county" and insert "**Vigo County**".

Page 7, line 8, delete "that county" and insert "**Vigo County**".

Page 7, between lines 33 and 34, begin a new paragraph and insert:

"(k) If a riverboat relocates under this section, the licensed owner shall pay six million dollars (\$6,000,000) to the city of Evansville. Eighty percent (80%) of the funds received under this subsection must be applied to reduce the property lease payments of the licensed owner of the inland casino located in Evansville."

Page 7, line 34, delete "(k)" and insert "**(l)**".

Page 8, delete lines 22 through 42, begin a new paragraph and insert:

"SECTION 16. IC 4-33-6-24, AS ADDED BY P.L.255-2015,



SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 24. **(a) This section does not apply to a relocated riverboat in Gary under section 4.5 of this chapter.**

~~(a)~~ **(b)** For purposes of this section, property is considered to be adjacent to a riverboat dock site even if it is separated from the dock site by public rights-of-way or railroad rights-of-way.

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

(1) Except as provided in subsection ~~(c)~~; **(d)**, the casino is located on property that the licensed owner owned or leased and used in the conduct of the licensed owner's gaming operations on February 1, 2015.

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

(3) The casino complies with all applicable building codes and any safety requirements imposed by the commission.

(4) The commission approves the relocation of the licensed owner's gaming operation.

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

(1) acquire part of the public rights-of-way or railroad rights-of-way to form a contiguous parcel with the property owned or leased by the licensed owner on February 1, 2015; and

(2) subject to the other requirements of this section, situate an inland casino on the contiguous parcel formed under subdivision (1).

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

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

SECTION 17. IC 4-33-6-24.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 24.5. **(a) This section applies to a relocated riverboat in Gary under section 4.5 of this chapter.**

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

(1) The casino complies with all applicable building codes and



any safety requirements imposed by the commission.

(2) 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.

SECTION 18. IC 4-33-6.5-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 3.5. This section does not apply to the relocation of a casino under IC 4-33-6-4.5. The commission may not enter into an operating contract with an applicant if the operating agent contract would permit the applicant to locate a riverboat less than seventy-five (75) miles from the location of another riverboat licensed under this article or a gambling game facility under IC 4-35, as determined by the distance between the closest point from the proposed location of the applicant's riverboat to the location or another riverboat or gambling game facility."**

Page 9, delete lines 1 through 19.

Page 9, line 40, delete "transfer the license to" and insert "**operate a satellite location or joint venture satellite location with another licensed owner."**

Page 9, delete lines 41 through 42.

Page 10, delete lines 36 through 38.

Page 10, line 39, delete "6." and insert "5."

Page 11, between lines 5 and 6, begin a new paragraph and insert:

"Sec. 6. A licensed owner or permit holder operating a casino under this chapter shall pay two million dollars (\$2,000,000) by July 15 of each year to the Indiana horse racing commission to be distributed as follows:

(1) Forty-six percent (46%) to the breed development fund established for thoroughbreds under IC 4-31-11-10.

(2) Forty-six percent (46%) to the breed development fund established for standardbreds under IC 4-31-11-10.

(3) Eight percent (8%) to the breed development fund established for quarter horses under IC 4-31-11-10.

Sec. 7. A licensed owner or permit holder operating a casino under this chapter shall pay six million dollars (\$6,000,000) to the city of Evansville. Eighty percent (80%) of the funds received under this subsection must be applied to reduce the property lease payments of the licensed owner of the inland casino located in Evansville."

Page 13, between lines 39 and 40, begin a new paragraph and insert:



"SECTION 30. IC 4-33-12-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 10. (a) This section applies only to a riverboat located in Vigo County.**

(b) As used in this section, "board" refers to the capital improvement board of managers established under IC 36-10-8 for Vigo County.

(c) The treasurer of state shall quarterly pay one dollar (\$1) of the supplemental wagering tax collected by the licensed owner under this chapter for each person admitted to the riverboat during the quarter to the board. The payment required by this subsection is instead of a payment to the fiscal officer of Vigo County under section 6(b)(2) of this chapter.

(d) The board may use money received under this section for any lawful purpose of the board."

Page 14, between lines 1 and 2, begin a new paragraph and insert:
 "SECTION 31. IC 4-33-13-5, AS AMENDED BY P.L.212-2018(ss), SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:**

(1) An amount equal to the following shall be set aside for revenue sharing under subsection (e):

(A) Before July 1, 2021, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(B) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(C) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from



gambling games authorized under this article during the state year ending June 30, 2020, an amount equal to the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter multiplied by the result of:

- (i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by
- (ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020;

shall be set aside for revenue sharing under subsection (e).

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

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

- (i) a city described in IC 4-33-12-6(b)(1)(A); or
- (ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

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

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

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, ~~2015~~ **2019**. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) Fifty-six and five-tenths percent (56.5%) shall be paid as follows:

(A) ~~Sixty-six and four-tenths percent (66.4%) shall be paid~~



to the state general fund.

(B) Thirty-three and six-tenths percent (33.6%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

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

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

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

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

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

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

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

(E) Five and three-tenths percent (5.3%) shall be distributed



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

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

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

(H) Twenty-six and four-tenths percent (26.4%) shall be paid to the Indiana economic development corporation established by IC 5-28-3-1 for transfer as follows:

(i) Beginning after December 31, 2017, ten percent (10%) of the amount transferred under this clause in each calendar year shall be transferred to the South Central Indiana Regional Economic Development Corporation or a successor entity or partnership for economic development for the purpose of recruiting new business to Orange County as well as promoting the retention and expansion of existing businesses in Orange County.

(ii) The remainder of the amount transferred under this clause in each calendar year shall be transferred to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities.

To the extent possible, the Indiana economic development corporation shall provide for the transfer under item (i) to be made in four (4) equal installments. However, an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under this section were pledged before January 1, 2015, by the Orange County development commission shall be paid to the Orange County development commission before making distributions to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or their successor entities or partnerships. The amount paid to the Orange County



development commission shall proportionally reduce the amount payable to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or their successor entities or partnerships.

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

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

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

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

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

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

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

- (1) To each city located in the county according to the ratio the



city's population bears to the total population of the county.

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

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

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

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

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

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

(4) For police and fire pensions.

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

(g) Before July 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 or IC 4-33-12-8 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 or IC 4-33-12-8 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-9), 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 4-33-12-9); minus

(2) the sum of:

(A) the total amount of money distributed to the entity and constructively received by the entity during the preceding state fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus

(B) the amount of any admissions taxes deducted under IC 6-3.1-20-7.

(h) This subsection applies only to a county containing a



consolidated city. The county auditor shall distribute the money received by the county under subsection (e) as follows:

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

(i) This subsection applies to a supplemental distribution made after June 30, 2017. The maximum amount of money that may be distributed under subsection (g) in a state fiscal year is equal to the following:

- (1) Before July 1, 2021, forty-eight million dollars (\$48,000,000).
- (2) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is forty-eight million dollars (\$48,000,000).
- (3) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is equal to the result of:

(A) forty-eight million dollars (\$48,000,000); multiplied by

(B) the result of:

- (i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by
- (ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020.

If the total amount determined under subsection (g) exceeds the maximum amount determined under this subsection, 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 or IC 4-33-12-8 bears to the total amount distributed under IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental



distribution.

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

- (1) the remaining amount of the supplemental distribution; or
- (2) the difference, if any, between:
 - (A) three million five hundred thousand dollars (\$3,500,000); minus
 - (B) the amount of admissions taxes constructively received by the unit in the previous state fiscal year.

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

(k) Money distributed to a political subdivision under subsection (b):

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

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

(l) After June 30, 2020, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be deposited as being received from all riverboats whose supplemental wagering tax, as calculated under IC 4-33-12-1.5(b), is over three and five-tenths percent (3.5%). The amount deposited under this subsection, in each riverboat's account, is proportionate to the



supplemental wagering tax received from that riverboat under IC 4-33-12-1.5 in the month of July. The amount deposited under this subsection must be distributed in the same manner as the supplemental wagering tax collected under IC 4-33-12-1.5. This subsection expires June 30, 2021.

(m) After June 30, 2021, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be withheld and deposited in the state general fund.

SECTION 32. IC 4-33-13-5.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 5.3. (a) The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this section under section 5 of this chapter and IC 4-33-8.5-2 during the state fiscal year 2019. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.**

(b) This subsection applies if a person holding a riverboat owner's license under IC 4-33-6-1(a)(1) relocates the riverboat to another location in Gary. If the total amount payable to Gary under section 5 of this chapter is greater than the base revenue determined under subsection (a), the treasurer of state shall deduct the lesser of the following from the amount otherwise payable to Gary:

- (1) the difference between the base revenue determined for Hammond under subsection (a) and the amount payable to Hammond under section 5 of this chapter; or**
- (2) the difference between the amount payable to Gary under section 5 of this chapter and the base revenue determined for Gary under subsection (a).**

The treasurer of state shall supplement the amount payable to Hammond under section 5 of this chapter with the amount deducted under this subsection.

(c) This subsection applies if a casino is located in Vigo County under IC 4-33-6-4.5 or IC 4-33-9.5. The treasurer of state shall deduct the greater of the following from the amount otherwise payable to Vigo County under section 5 of this chapter:

- (1) Zero dollars (\$0); or**
- (2) The sum of:**
 - (A) the difference between the base revenue determined for Shelby County under subsection (a) and the amount**



payable to Shelby County under IC 4-35-8.5-2; and
**(B) the difference between the base revenue determined for
 Madison County under subsection (a) and the amount
 payable to Madison County under IC 4-35-8.5-2.**

**The treasurer of state shall distribute fifty percent (50%) of the
 amount deducted under this subsection to the county auditor of
 Shelby County under IC 4-35-8.5-2 and fifty percent (50%) of the
 amount deducted under this subsection to the county auditor of
 Madison County under IC 4-35-8.5-2.**

SECTION 33. IC 4-33-13-7, AS AMENDED BY P.L.255-2015,
 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 JULY 1, 2019]: Sec. 7. (a) This section applies to adjusted gross
 receipts from wagering on gambling games that occurs after the
 effective date of this section, as added by SEA 528-2013.

(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 **with respect to
 the qualified wagering conducted at a particular riverboat:**

- (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, 2015.
- (3) Seven million dollars (\$7,000,000) in a state fiscal year
 beginning after June 30, 2015, **and ending before July 1, 2020.**
- (4) Nine million dollars (\$9,000,000) in a state fiscal year
 beginning after June 30, 2020.**

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



defined by IC 4-35-2-7 to which the deduction is assigned shall report the assignment to the commission and to the department. The maximum amount that may be assigned under this subsection by a licensed owner or operating agent for a state fiscal year is equal to the result of:

- (1) seven million dollars (\$7,000,000); minus
- (2) the amount deducted under this subsection by the licensed owner or operating agent for the state fiscal year."

Page 14, line 37, after "wagering" insert ", **not including a table game approved by the commission under section 19 of this chapter,**".

Page 14, line 41, delete "the percentage of" and insert "**twenty percent (20%) of the**".

Page 15, line 1, delete "licensee, as" and insert "**licensee.**".

Page 15, delete line 2.

Page 17, line 21, reset in roman "state board of accounts shall audit the accounts, books and records".

Page 17, line 22, reset in roman "of the".

Page 17, line 22, delete "commission, each" and insert "commission. Each".

Page 17, line 23, strike "a".

Page 17, line 23, strike "any".

Page 17, line 25, delete "conduct an" and insert "**submit to an annual**".

Page 17, line 26, delete "section and provide" and insert "**section. The audit shall be performed by an independent public accountant and the audit report shall be provided**".

Page 17, line 27, delete "a copy of the audit".

Page 18, line 20, delete "sire".

Page 21, delete lines 8 through 37, begin a new paragraph and insert:

"SECTION 36. IC 4-35-7-19, AS ADDED BY P.L.255-2015, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 19. (a) After ~~March 1, 2021~~, **July 1, 2019**, and before ~~June 30, 2021~~, a licensee may submit a plan to the commission for conducting wagering on table games at the licensee's gambling game facility. ~~The commission shall consider a plan submitted under this subsection within forty-five (45) days of receiving the plan.~~

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

- (1) ~~economic benefits;~~
- (2) ~~tax revenue;~~



(3) number of new jobs; and

(4) capital investments;

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

(c) **(b) Upon receipt of a** After considering a plan submitted under subsection (a) and the criteria described in subsection (b), **that meets the requirements under IC 4-33 for table games at riverboats,** the commission ~~may~~ **shall** authorize wagering on table games at the licensee's gambling game facility.

(d) A licensee may not:

(1) install more gambling games than the number of gambling games proposed in the table game plan submitted to the commission; and

(2) offer more than two thousand two hundred (2,200) gambling games as provided under section ~~11(b)~~ of this chapter.

SECTION 37. IC 4-35-8-1, AS AMENDED BY P.L.212-2018(ss), SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) A graduated slot machine gambling game 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, on ninety-one and five-tenths percent (91.5%) of the adjusted gross receipts received after June 30, 2013, and before July 1, 2015, and on eighty-eight percent (88%) of the adjusted gross receipts received after June 30, 2015, from wagering on gambling games 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 gambling game tax is imposed on eighty-eight percent (88%) of the adjusted gross receipts received from wagering on table games authorized under this article. The tax is equal to twenty percent (20%) of the adjusted gross receipts received by a



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

~~(b)~~ **(c)** A licensee shall do the following:

(1) Remit the daily amount of tax imposed by this section to the department on the twenty-fourth calendar day of each month. Any taxes collected during the month but after the day on which the taxes are required to be paid shall be paid to the department at the same time the following month's taxes are due.

(2) Report gaming activity information to the commission daily on forms prescribed by the commission.

~~(c)~~ **(d)** The payment of the tax under this section must be in a manner prescribed by the department.

~~(d)~~ **(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.

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

SECTION 38. IC 4-35-8-5, AS AMENDED BY P.L.255-2015, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) This section applies to adjusted gross receipts from wagering on gambling games that occurs after the effective date of this section, as added by SEA 528-2013.

(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, 2015.

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

(4) Nine million dollars (\$9,000,000) in a state fiscal year beginning after June 30, 2020.

(e) Deductions under this section also apply to a licensee's adjusted



gross receipts for purposes of the following statutes:

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

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

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

Page 22, between lines 10 and 11, begin a new paragraph and insert:

"Sec. 3. The commission shall regulate and administer sports wagering conducted by a certificate holder or vendor under this article.

Sec. 4. The commission has the following powers and duties for the purpose of administering, regulating, and enforcing the system of sports wagering authorized under this article:

- (1) All powers and duties specified in this article.
- (2) All powers necessary and proper to fully and effectively execute this article.
- (3) Jurisdiction and supervision over the following:
 - (A) All sports wagering operations in Indiana.
 - (B) All persons at licensed facilities where sports wagering is conducted.
- (4) Any power specified in IC 4-33 or IC 4-35 concerning the supervision of persons conducting gambling games, patrons wagering on gambling games, and the facilities in which gambling games are conducted.
- (5) To investigate and reinvestigate applicants, certificate holders, licensees, and vendors.
- (6) To investigate alleged violations of this article.
- (7) To revoke, suspend, or renew certificates and licenses under this article.
- (8) To take any reasonable or appropriate action to enforce



this article.

Sec. 5. The commission may do the following:

- (1) Take appropriate administrative enforcement or disciplinary action against a person who violates this article.**
- (2) Conduct hearings.**
- (3) Issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records, and other relevant documents.**
- (4) Administer oaths and affirmations to witnesses."**

Page 22, delete lines 12 through 36, begin a new paragraph and insert:

"Sec. 1. The definitions set forth in this chapter apply throughout this article unless the context clearly denotes otherwise.

Sec. 2. "Adjusted gross receipts" means:

- (1) the total of all cash and property (including checks received by a certificate holder, whether collected or not) received by a certificate holder from sports wagering; minus**
- (2) the total of:**
 - (A) all cash paid out as winnings to sports wagering patrons; and**
 - (B) uncollectible gaming receivables, not to exceed the lesser of:**
 - (i) a reasonable provision for uncollectible patron checks received from sports wagering; or**
 - (ii) two percent (2%) of the total of all sums (including checks, whether collected or not) less the amount paid out as winnings to sports wagering patrons.**

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the certificate holder from sports wagering.

Sec. 3. "Amateur youth sporting event" refers to any sporting event in which an individual:

- (1) must be less than eighteen (18) years of age to participate; and**
- (2) is prohibited, as a condition of participating in the sporting event, from receiving direct or indirect compensation for the use of the individual's athletic skill in any manner with respect to the sport in which the particular sporting event is conducted.**

Sec. 4. "Certificate holder" means a licensed owner, operating agent, or permit holder issued a certificate of authority by the commission authorizing the licensed owner, operating agent, or



permit holder to conduct sports wagering independently or through a vendor under this article.

Sec. 5. "Commission" refers to the Indiana gaming commission established by IC 4-33-3-1."

Page 22, line 37, delete "4." and insert "6."

Page 22, line 38, delete "5." and insert "7."

Page 22, line 38, after "a" insert "single player or".

Page 22, delete lines 40 through 42, begin a new paragraph and insert:

"Sec. 8. "Geofence" means a virtual geographic boundary defined by GPS or RFID technology, which enables software to trigger a response when a mobile device enters or leaves a particular area.

Sec. 9. "Gross receipts" means the total amount of money exchanged for the purchase of electronic cards by sports wagering patrons.

Sec. 10. "In-play wagering" refers to the practice of placing a wage after a sporting event has started.

Sec. 11. "Licensed facility" means any of the following:

- (1) A satellite facility operated under IC 4-31-5.5.
- (2) A riverboat operated under IC 4-33.
- (3) A gambling game facility operated under IC 4-35.
- (4) A Vigo County casino under IC 4-33-9.5.
- (5) A relocated riverboat under IC 4-33-6-4.5.

Sec. 12. "Licensed owner" has the meaning set forth in IC 4-33-2-13.

Sec. 13. "Occupational license" means a license issued by the commission under IC 4-33-8.

Sec. 14. "Operating agent" means a person with whom the commission has entered into a contract under IC 4-33-6.5 to operate a riverboat in a historic hotel district.

Sec. 15. "Permit holder" has the meaning set forth in IC 4-31-2-14.

Sec. 16. "Person" means an individual, a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, or any other business entity.

Sec. 17. "Riverboat" has the meaning set forth in IC 4-33-2-17.

Sec. 18. "Sports wagering" refers to wagering conducted under this article on athletic and sporting events involving human competitors. The term does not include pari-mutuel wagering on horse racing or money spent to participate in paid fantasy sports under IC 4-33-24.



Sec. 19. "Sports wagering device" refers to a mechanical, electrical, or computerized contrivance, terminal, device, apparatus, piece of equipment, or supply approved by the commission for conducting sports wagering under this article.

Sec. 20. "Sports wagering service provider" means a person that contracts with a certificate holder, a vendor, or an applicant for a certificate of authority under IC 4-38-4 or vendor's license to:

- (1) sell, lease, offer, or otherwise provide or distribute a sports wagering device or associated equipment;**
- (2) service a sports wagering device or associated equipment;**
- or**
- (3) provide risk management services, integrity services, or odds.**

Sec. 21. "Sports wagering service provider license" means a license issued under IC 4-38-7.

Sec. 22. "Supplier's license" means a license issued under IC 4-33-7.

Sec. 23. "Vendor" means a person with whom a certificate holder contracts for either of the following:

- (1) Conducting or managing sports wagering operations within a licensed facility.**
- (2) Conducting sports wagering through mobile devices under IC 4-38-5-10.**

Sec. 24. "Vendor's license" means a license issued to a vendor under IC 4-38-6."

Page 23, delete lines 1 through 32.

Page 24, line 6, delete "IC 4-38-5-9." and insert "**IC 4-38-5-10.**".

Page 24, between lines 14 and 15, begin a new line block indented and insert:

"(7) Standards for approving procedures and technologies necessary to comply with the requirements of IC 4-38-9.

(8) Standards for approving procedures and technologies necessary for a certificate holder or vendor to securely and efficiently maintain and store records of all bets and wagers placed with the certificate holder or vendor.

(9) Rules establishing geofence standards concerning where a wager may and may not be placed, including:

(A) only placing wagers within the boundaries of Indiana; and

(B) prohibiting wagers at the location of particular sporting events."

Page 25, delete lines 1 through 3.



Page 25, line 7, delete "December 31," and insert "**June 30**,".

Page 25, line 8, delete "October" and insert "**July**".

Page 25, line 20, delete "equal to the greater of:" and insert "**of one hundred thousand dollars (\$100,000).**".

Page 25, delete lines 21 through 26.

Page 25, line 32, delete "equal to the greater of:" and insert "**of one hundred thousand dollars (\$100,000).**".

Sec. 4. Upon:

(1) receipt of the application and fee required by section 3 of this chapter; and

(2) approving the submitted application;

the commission shall issue a certificate of authority to a licensed owner, an operating agent, or a permit holder authorizing the licensed owner, operating agent, or permit holder to conduct sports wagering under this article in a designated licensed facility.

Sec. 5. The commission shall deposit fees received under section 3 of this chapter in the sports wagering fund established by IC 4-38-8-2."

Page 25, delete lines 33 through 42.

Page 26, delete lines 1 through 4.

Page 26, delete lines 30 through 42, begin a new paragraph and insert:

"Sec. 4. (a) A certificate holder or vendor may accept wagers on professional and collegiate sporting events approved for sports wagering by the commission. Except as provided in subsection (c), a certificate holder or vendor may use data selected in its discretion to determine whether a wager is a winning wager.

(b) A certificate holder or vendor may not accept wagers on e-sports regardless of whether the e-sports event involves one (1) or multiple players.

(c) In-play wagering is authorized under this article. A certificate holder or vendor must determine that an in-play wager is a winning wager using only official data provided by the governing body conducting a sporting event described in subsection (a).

Sec. 5. A certificate holder or vendor may not accept wagers on the following:

(1) High school and other amateur youth sporting events.

(2) A sporting event that has not been approved for sports wagering by the commission.

Sec. 6. A certificate holder or vendor may not cancel wagering on a particular sporting event after posting odds and beginning to



accept wagers on the sporting event. A certificate holder or vendor must pay winning patrons following the end of the sporting event.

Sec. 7. A certificate holder or vendor may not permit any sports wagering on the premises of a licensed facility except as permitted by this article.

Sec. 8. (a) A sports wagering device, platform, or other means of conducting sports wagering must be:

- (1) approved by the commission; and
- (2) acquired by a certificate holder or vendor from a person holding both a supplier's license and a sports wagering service provider license.

(b) The commission shall determine whether other supplies and equipment used to conduct sports wagering require a certificate holder to acquire the supplies and equipment from a person holding both a supplier's license and a sports wagering service provider license.

(c) IC 4-33-7 applies to the distribution of sports wagering devices and the conduct of sports wagering under this article.

Sec. 9. The commission shall determine the occupations related to sports wagering that require an occupational license. IC 4-33-8 applies to the conduct of sports wagering under this article.

Sec. 10. A certificate holder or vendor may accept wagers placed using a mobile device from a patron if the patron registers with the certificate holder or vendor as a mobile device user and acquires any necessary mobile device applications from the certificate holder. A patron may register under this section in person at the certificate holder's licensed facility or online using an Internet form approved by the commission.

Sec. 11. IC 4-31-6-11, IC 4-33-4-27, IC 4-33-8.5, IC 4-35-4-16, and IC 4-35-6.7 apply, as appropriate, to sports wagering conducted at a licensed facility.

Sec. 12. (a) This section applies to sports wagering conducted at a satellite facility by a certificate holder that is a permit holder.

(b) A certificate issued under this article is null and void if the certificate holder fails to:

- (1) maintain a license issued under IC 4-31-5.5 to operate the satellite facility; or
- (2) satisfy the conditions for obtaining a satellite facility license set forth in IC 4-31-5.5-3(b)(3) in the certificate holder's operation of the satellite facility.

Chapter 6. Vendors

Sec. 1. A person must hold a license issued under this chapter



before entering into a contract as a vendor with a certificate holder.

Sec. 2. The commission may issue a vendor's license to a qualified applicant.

Sec. 3. (a) A person applying for a vendor's license under this chapter must pay a nonrefundable application fee of one hundred thousand dollars (\$100,000) to the commission. The commission shall deposit fees received under this section in the sports wagering fund established by IC 4-38-8-2.

(b) An applicant must submit the following on forms provided by the commission:

(1) If the applicant is an individual, two (2) sets of the individual's fingerprints.

(2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for a vendor's license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the vendor's license.

(d) The costs of investigating an applicant for a vendor's license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for a vendor's license under this chapter must pay all additional costs that are:

(1) associated with the investigation of the applicant; and

(2) greater than the amount of the application fee paid by the applicant.

Sec. 4. In determining whether to grant a vendor's license to an applicant, the commission shall consider the character, reputation, experience, and financial integrity of the following:

(1) The applicant.

(2) A person that:

(A) directly or indirectly controls the applicant; or

(B) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.

Sec. 5. (a) The state police department may assist the commission in conducting background investigations of applicants for a vendor's license. The commission may forward all fingerprints required to be submitted by license applicants under this chapter to the Federal Bureau of Investigation or any other agency for the purpose of screening applicants. The commission



shall reimburse the state police department for the costs incurred by the state police department as a result of the assistance. The commission shall make the payment from fees collected from applicants.

(b) The commission through its gaming agents shall conduct background investigations of applicants. Costs incurred conducting the investigations must be paid from fees collected from applicants.

Sec. 6. A person holding a vendor's license shall pay to the commission an annual administrative fee of fifty thousand dollars (\$50,000). The fee imposed by this section is due one (1) year after the date that the vendor begins performing services under a contract with a certificate holder in the conduct of sports wagering under this article and on each annual anniversary date thereafter. The commission shall deposit the administrative fees received under this section in the sports wagering fund.

Sec. 7. A certificate holder may not contract with more than three (3) vendors.

Chapter 7. Sports Wagering Service Providers

Sec. 1. A person must hold a license issued under this chapter before entering into a contract as a sports wagering service provider with a certificate holder, a vendor, or an applicant for a certificate of authority under IC 4-38-4 or a vendor's license.

Sec. 2. The commission may issue a sports wagering service provider license to a qualified applicant.

Sec. 3. (a) A person applying for a sports wagering service provider license under this chapter must pay a nonrefundable application fee of one hundred thousand dollars (\$100,000) to the commission. The commission shall deposit fees received under this section in the sports wagering fund established by IC 4-38-8-2.

(b) An applicant must submit a completed application on a form prescribed by the commission.

Sec. 4. While considering a person's application for a sports wagering service provider license, the commission may issue the person a temporary license to conduct business under this article if the following criteria are met:

(1) The person has filed with the commission either of the following:

(A) A completed application.

(B) A substantially complete application as determined by the commission.

(2) The person agrees in writing to the following conditions of the temporary license issued under this section:



(A) The temporary license does not create a right or privilege to continue conducting business under this article if the person's application for a sports wagering service provider license is rejected by the commission.

(B) The commission may rescind the person's temporary license and the authority to conduct business under this article at any time, with or without notice to the person, if:

- (i) the commission is informed that the suitability of the person may be at issue; and
- (ii) the person fails to cooperate with the commission in the commission's investigation into the qualifications and suitability of the person for a sports wagering service provider license.

Sec. 5. When reviewing a person's application for a sports wagering service provider license, the commission:

- (1) shall consider the suitability findings of other jurisdictions in which the person is licensed, certified, or authorized to conduct business as a sports wagering service provider; and
- (2) may waive requirements set forth in the application form prescribed by the commission if:

(A) the suitability findings of other jurisdictions provide sufficient information to fully consider the person's application; and

(B) the person provides all the information otherwise requested by the commission."

Page 27, delete lines 1 through 40.

Page 27, line 41, delete "6." and insert "**8. Annual License**".

Page 28, line 1, delete "seventy-five" and insert "**fifty**".

Page 28, line 2, delete "(\$75,000)." and insert "**(\$50,000).**".

Page 28, line 9, delete "administrative fees deposited in the" and insert "**following**:"

- (1) Initial fees deposited in the fund under IC 4-38-4-5.
- (2) Fees deposited in the fund under IC 4-38-6.
- (3) Fees deposited in the fund under IC 4-38-7.
- (4) Administrative fees deposited in the fund under section 1 of this chapter.

Chapter 9. Integrity Requirements

Sec. 1. (a) A certificate holder or vendor shall conduct:

- (1) background checks on newly hired employees engaged in activities related to the conducting of sports wagering; and
- (2) annual background checks on all existing employees engaged in activities related to the conducting of sports



wagering.

A background check conducted under this section must include a search for criminal history and any charges or convictions involving corruption or manipulation of sporting events and any association with organized crime.

(b) A person may not obtain any of the following required for conducting business under this article unless the person meets the suitability requirements determined by the commission:

- (1) A vendor's license.
- (2) A sports wagering service provider license.
- (3) A supplier's license.
- (4) An occupational license.

Sec. 2. (a) A certificate holder, vendor, or sports wagering service provider shall employ commercially reasonable methods to maintain the security of wagering data, customer data, and other confidential information from unauthorized access and dissemination.

(b) Nothing in this article precludes the use of Internet or cloud based hosting of data described in subsection (a) or any disclosure of information required by court order, other law, or this article.

Sec. 3. The commission shall prohibit a certificate holder or vendor from accepting wagers placed by any of the following:

- (1) A partnership, a corporation, an association, or any other entity that is not an individual.
- (2) A person who is not at least twenty-one (21) years of age.
- (3) A certificate holder, a vendor, a director, officer, or employee of a certificate holder or vendor, or a relative of a certificate holder or vendor.
- (4) A sports wagering service provider, a director, officer, or employee of a sports wagering service provider, or a relative of a sports wagering service provider.
- (5) With respect to a sporting event sponsored, organized, or conducted by a particular sports governing body, any of the following:
 - (A) An employee of the sports governing body.
 - (B) A game official employed by or under contract with the sports governing body.
 - (C) A coach, manager, or other personnel employed by or under contract with a member club of the sports governing body.
 - (D) An athlete who is:
 - (i) under contract with a member club of the sports



governing body in the case of a team sport; or

(ii) eligible to participate in events conducted by the sports governing body in the case of an individual sport.

(E) An employee of a union representing athletes or game officials.

(F) A relative of an individual described in clauses (A) through (E).

(6) An individual convicted of a state or federal crime relating to sports wagering.

Sec. 4. (a) The commission may use information received from a sports governing body to determine whether to allow:

(1) wagering on a particular event; or

(2) patrons to make wagers of a particular type.

(b) If a sports governing body requests wagering information or requests the commission to prohibit wagering on a particular event or making wagers of a particular type, the commission shall grant the request upon a demonstration of good cause from the sports governing body.

(c) The commission shall respond to a request from a sports governing body concerning a particular event:

(1) before the start of the event; or

(2) if it is not feasible to respond before the start of the event, as expeditiously as possible.

Sec. 5. The commission and each certificate holder or vendor shall cooperate with investigations conducted by sports governing bodies or law enforcement agencies, including by providing or facilitating the provision of betting information and audio or video files relating to persons placing wagers. Information shared under this section is confidential.

Sec. 6. A certificate holder or vendor shall immediately report to the commission any information relating to:

(1) criminal or disciplinary proceedings commenced against the certificate holder or vendor in connection with its operations;

(2) bets or wagers that violate state or federal law;

(3) abnormal betting activity or patterns that may indicate a concern regarding the integrity of a sporting event or events;

(4) any potential breach of the relevant sport's governing body's internal rules and codes of conduct pertaining to sports wagering;

(5) any other conduct that corrupts a betting outcome of a sporting event or events for purposes of financial gain; and



(6) suspicious or illegal wagering activities, including use of funds derived from illegal activity, wagers to conceal or launder funds derived from illegal activity, using agents to place wagers, and using false identification.

A certificate holder or vendor shall also immediately report information relating to conduct described in subdivision (3), (4), or (5) to the relevant sports governing body.

Sec. 7. A certificate holder or vendor shall maintain the confidentiality of information provided by a sports governing body to the certificate holder or vendor, unless disclosure is required by this article, the commission, other law, or court order.

Sec. 8. Information provided to the commission by a sports governing body is confidential and may not be disclosed under IC 5-14."

Page 28, delete lines 10 through 17, begin a new paragraph and insert:

"SECTION 41. IC 6-8.1-1-1, AS AMENDED BY P.L.212-2018(ss), SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1."Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the supplemental wagering tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the ~~slot machine gambling game~~ wagering tax (IC 4-35-8); 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) (repealed); the county option income tax (IC 6-3.5-6) (repealed); the county economic development income tax (IC 6-3.5-7) (repealed); the local income tax (IC 6-3.6); 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 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 heavy equipment rental excise tax (IC 6-6-15); 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 oil inspection fee (IC 16-44-2); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-20-18); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-20-18); and any other tax or fee that the department is required to collect or administer."

Page 28, line 41, delete "IC 4-33-9.5-6(b)." and insert "**IC 4-33-9.5-5(b).**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 552 as introduced.)

ALTING, Chairperson

Committee Vote: Yeas 10, Nays 0.

