

SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1001(ss) be amended to read as follows:

- 1 Page 11, delete lines 16 through 42.
- 2 Delete pages 12 through 15.
- 3 Page 16, delete lines 1 through 40, begin a new paragraph and
- 4 insert:
- 5 "SECTION 14. IC 4-31-1-2 IS AMENDED TO READ AS
- 6 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. The ~~purpose~~
- 7 **purposes** of this article ~~is~~ **are** to:
- 8 (1) permit pari-mutuel wagering on horse races in Indiana; ~~and to~~
- 9 (2) **permit the sale of pari-mutuel pull tabs at racetracks and**
- 10 **satellite facilities in Indiana;**
- 11 (3) ensure that **the sale of pari-mutuel pull tabs and** pari-mutuel
- 12 wagering on horse races in Indiana will be conducted with the
- 13 highest of standards and the greatest level of integrity; **and**
- 14 (4) **maximize and preserve state revenues generated from the**
- 15 **various forms of permitted gaming and wagering by ensuring**
- 16 **that the various forms of permitted gaming and wagering**
- 17 **occur in different geographic regions of the state.**
- 18 SECTION 15. IC 4-31-2-11.5 IS ADDED TO THE INDIANA
- 19 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 20 [EFFECTIVE JULY 1, 2002]: **Sec. 11.5. "Pari-mutuel pull tab"**
- 21 **means a game offered to the public in which a person who**
- 22 **purchases a ticket or simulated ticket has the opportunity to share**
- 23 **in a prize pool, multiple prize pools, or a shared prize pool**
- 24 **consisting of the total amount wagered in the game minus**
- 25 **deductions by the permit holder selling the pari-mutuel pull tab**
- 26 **and other deductions either permitted or required by law.**
- 27 SECTION 16. IC 4-31-4-1.3 IS AMENDED TO READ AS
- 28 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.3. (a) This section
- 29 does not apply to a person who satisfies all of the following:

- 1 (1) The person was issued a satellite facility license before
 2 January 2, 1996.
- 3 (2) The person operated a satellite facility before January 2, 1996.
- 4 (3) The person is currently operating the satellite facility under
 5 the license.
- 6 (b) A person may not operate under a satellite facility license unless
 7 both of the following apply:
- 8 (1) The county fiscal body of the county in which the satellite
 9 facility will be operated has adopted an ordinance under section
 10 2.5 of this chapter.
- 11 (2) The person secures a license under IC 4-31-5.5.
- 12 **(c) Notwithstanding any other provision of this article,**
 13 **subsection (b)(1) does not apply to a permit holder who:**
- 14 **(1) was issued a permit before January 1, 2002; and**
 15 **(2) files an application to operate a satellite facility in a county**
 16 **having a consolidated city.**
- 17 SECTION 17. IC 4-31-4-2 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A county fiscal
 19 body may adopt an ordinance permitting the filing of applications
 20 under IC 4-31-5 to conduct pari-mutuel wagering on horse races at
 21 racetracks in the county. However, before adopting the ordinance, the
 22 county fiscal body must:
- 23 (1) conduct a public hearing on the proposed ordinance; and
 24 (2) publish notice of the public hearing in the manner prescribed
 25 by IC 5-3-1.
- 26 (b) The county fiscal body may:
- 27 (1) require in the ordinance adopted by the county fiscal body that
 28 before applications under IC 4-31-5 to conduct pari-mutuel
 29 wagering on horse races at racetracks in the county may be filed,
 30 the voters of the county must approve the conducting of horse
 31 racing meetings in the county under section 3 of this chapter; or
 32 (2) amend an ordinance already adopted by the county fiscal body
 33 to require that before applications under IC 4-31-5 to conduct
 34 pari-mutuel wagering on horse races at racetracks in the county
 35 may be filed, the voters of the county must approve the
 36 conducting of horse racing meetings in the county under section
 37 3 of this chapter.
- 38 An ordinance adopted under this section may not be amended to apply
 39 to a person who has already been issued a permit under IC 4-31-5
 40 before amendment of the ordinance.
- 41 **(c) An ordinance adopted under this section authorizing a**
 42 **person to conduct pari-mutuel wagering on horse races at**
 43 **racetracks in the county may not be adopted or amended with the**
 44 **intent to restrict a permit holder's ability to sell pari-mutuel pull**
 45 **tabs under IC 4-31-7.5. An ordinance adopted by the county fiscal**
 46 **body permitting the sale of pari-mutuel pull tabs is not a**
 47 **requirement for the lawful sale of pari-mutuel pull tabs under**

IC 4-31-7.5.

SECTION 18. IC 4-31-4-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5.5 for operation of a satellite facility in the county. However, before adopting the ordinance, the county fiscal body must:

- (1) conduct a public hearing on the proposed ordinance; and
- (2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

- (1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter; or
- (2) amend an ordinance already adopted in the county to require that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who was issued a license under IC 4-31-5.5 before the ordinance was amended.

(c) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

- (1) was issued a permit before January 1, 2002; and**
- (2) files an application to operate a satellite facility in a county having a consolidated city.**

SECTION 19. IC 4-31-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) This section does not apply to either of the following:

- (1) A permit holder who satisfies all of the following:
 - (A) The permit holder was issued a permit before January 2, 1996.
 - (B) The permit holder conducted live racing before January 2, 1996.
 - (C) The permit holder is currently operating under the permit.
- (2) A person who satisfies all of the following:
 - (A) The person was issued a satellite facility license before January 2, 1996.
 - (B) The person operated a satellite facility before January 2, 1996.
 - (C) The person is currently operating the satellite facility under the license.

(b) This section applies if either of the following apply:

- (1) Both of the following are satisfied:
 - (A) An ordinance is adopted under section 2 or 2.5 of this

- 1 chapter.
- 2 (B) The ordinance requires the voters of the county to approve
- 3 either of the following:
- 4 (i) The conducting of horse racing meetings in the county.
- 5 (ii) The operation of a satellite facility in the county.
- 6 (2) A local public question is required to be held under section
- 7 2.7 of this chapter following the filing of a petition with the
- 8 circuit court clerk:
- 9 (A) signed by at least the number of registered voters of the
- 10 county required under IC 3-8-6-3 to place a candidate on the
- 11 ballot; and
- 12 (B) requesting that the local public question set forth in
- 13 subsection (d) be placed on the ballot.
- 14 (c) Notwithstanding any other provision of this article, the
- 15 commission may not issue a recognized meeting permit under
- 16 IC 4-31-5 to allow the conducting of or the assisting of the conducting
- 17 of a horse racing meeting unless the voters of the county in which the
- 18 property is located have approved conducting recognized meetings in
- 19 the county.
- 20 (d) For a local public question required to be held under subsection
- 21 (c), the county election board shall place the following question on the
- 22 ballot in the county during the next general election:
- 23 "Shall horse racing meetings at which pari-mutuel wagering
- 24 occurs be allowed in _____ County?".
- 25 (e) Notwithstanding any other provision of this article, the
- 26 commission may not issue a satellite facility license under IC 4-31-5.5
- 27 to operate a satellite facility unless the voters of the county in which the
- 28 satellite facility will be located approve the operation of the satellite
- 29 facility in the county.
- 30 (f) For a local public question required to be held under subsection
- 31 (e), the county election board shall place the following question on the
- 32 ballot in the county during the next general election:
- 33 "Shall satellite facilities at which pari-mutuel wagering occurs be
- 34 allowed in _____ County?".
- 35 (g) A public question under this section must be certified in
- 36 accordance with IC 3-10-9-3 and shall be placed on the ballot in
- 37 accordance with IC 3-10-9.
- 38 (h) The circuit court clerk of a county holding an election under this
- 39 chapter shall certify the results determined under IC 3-12-4-9 to the
- 40 commission and the department of state revenue.
- 41 (i) If a public question is placed on the ballot under subsection (d)
- 42 or (f) in a county and the voters of the county do not vote in favor of the
- 43 public question, a second public question under that subsection may
- 44 not be held in the county for at least two (2) years. If the voters of the
- 45 county vote to reject the public question a second time, a third or
- 46 subsequent public question under that subsection may not be held in
- 47 the county until the general election held during the tenth year

1 following the year of the previous public question held under that
2 subsection.

3 **(j) Notwithstanding any other provision of this article, this**
4 **section does not apply to a permit holder who:**

- 5 **(1) was issued a permit before January 1, 2002; and**
6 **(2) files an application to operate a satellite facility in a county**
7 **having a consolidated city.**

8 SECTION 20. IC 4-31-5-6 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) The commission
10 may not issue a recognized meeting permit unless the applicant has
11 filed with the commission:

- 12 (1) a financial statement prepared and certified by a certified
13 public accountant in accordance with sound accounting practices,
14 showing the net worth of the applicant;
15 (2) a statement from the department of state revenue and the
16 treasurer of state that there are no pari-mutuel taxes or other
17 obligations owed by the applicant to the state or any of its
18 departments or agencies;
19 (3) a statement from the county treasurer of the county in which
20 the applicant proposes to conduct horse racing meetings that there
21 are no real or personal property taxes owed by any of the
22 principals seeking the permit; and
23 (4) a statement of obligations that are owed or being contested,
24 including salaries, purses, entry fees, laboratory fees, and debts
25 owed to vendors and suppliers.

26 (b) In addition to the requirements of subsection (a), the commission
27 may not issue a recognized meeting permit for a recognized meeting to
28 occur in a county unless IC 4-31-4 has been satisfied.

29 **(c) In addition to the requirements of subsections (a) and (b), the**
30 **commission may not issue a recognized meeting permit for a**
31 **recognized meeting to occur at a location within thirty (30) linear**
32 **miles of a location for which another permit holder has been issued**
33 **a recognized meeting permit for a recognized meeting to occur.**

34 SECTION 21. IC 4-31-5-15 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. **Except as**
36 **provided in IC 4-31-7.5,** any fees or penalties collected by the
37 commission under IC 4-31-3-9(1)(E) through IC 4-31-3-9(1)(G) shall
38 be paid into the state general fund.

39 SECTION 22. IC 4-31-5.5-3 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) As used in this
41 section, "live racing day" means a day on which at least eight (8) live
42 horse races are conducted.

43 (b) The commission's authority to issue satellite facility licenses is
44 subject to the following conditions:

- 45 (1) The commission may issue four (4) satellite facility licenses
46 to each permit holder that:
47 (A) conducts at least one hundred twenty (120) live racing

- 1 days per year at the racetrack designated in the permit holder's
 2 permit; and
 3 (B) meets the other requirements of this chapter and the rules
 4 adopted under this chapter.
- 5 If a permit holder that operates satellite facilities does not meet
 6 the required minimum number of live racing days, the permit
 7 holder may not operate the permit holder's satellite facilities
 8 during the following year. However, the requirement for one
 9 hundred twenty (120) live racing days does not apply if the
 10 commission determines that the permit holder is prevented from
 11 conducting live horse racing as a result of a natural disaster or
 12 other event over which the permit holder has no control. In
 13 addition, if the initial racing meeting conducted by a permit
 14 holder commences at such a time as to make it impractical to
 15 conduct one hundred twenty (120) live racing days during the
 16 permit holder's first year of operations, the commission may
 17 authorize the permit holder to conduct simulcast wagering during
 18 the first year of operations with fewer than one hundred twenty
 19 (120) live racing days.
- 20 (2) Each proposed satellite facility must be covered by a separate
 21 application. The timing for filing an initial application for a
 22 satellite facility license shall be established by the rules of the
 23 commission.
- 24 (3) A satellite facility must:
- 25 (A) have full dining service available;
 - 26 (B) have multiple screens to enable each patron to view
 27 simulcast races; and
 - 28 (C) be designed to seat comfortably a minimum of four
 29 hundred (400) persons.
- 30 (4) In determining whether a proposed satellite facility should be
 31 approved, the commission shall consider the following:
- 32 (A) The purposes and provisions of this chapter.
 - 33 (B) The public interest.
 - 34 (C) The impact of the proposed satellite facility on live racing.
 - 35 (D) The impact of the proposed satellite facility on the local
 36 community.
 - 37 (E) The potential for job creation.
 - 38 (F) The quality of the physical facilities and the services to be
 39 provided at the proposed satellite facility.
 - 40 (G) Any other factors that the commission considers important
 41 or relevant to its decision.
- 42 (5) The commission may not issue a license for a satellite facility
 43 to be located in a county unless IC 4-31-4 has been satisfied.
- 44 **(6) Not more than one (1) license may be issued to each permit
 45 holder to operate a satellite facility located in a county having
 46 a consolidated city. The maximum number of licenses that the
 47 commission may issue for satellite facilities to be located in a**

1 **county having a consolidated city is two (2) licenses.**

2 SECTION 23. IC 4-31-5.5-6 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. A permit holder or
4 group of permit holders that is authorized to operate satellite facilities
5 may accept and transmit pari-mutuel wagers on horse racing at those
6 facilities and may engage in all activities necessary to establish and
7 operate appropriate satellite wagering facilities, including the
8 following:

- 9 (1) Live simulcasts of horse racing conducted at the permit
10 holder's racetrack or at other racetracks. However, a satellite
11 facility operated by a permit holder may not simulcast races
12 conducted in other states on any day that is not a live racing day
13 (as defined in section 3 of this chapter) unless the satellite facility
14 also simulcasts all available races conducted in Indiana on that
15 day.
16 (2) Construction or leasing of satellite wagering facilities.
17 (3) Sale of food and beverages.
18 (4) Advertising and promotion.
19 (5) **Sale of pari-mutuel pull tabs authorized under IC 4-31-7.5.**
20 (6) All other related activities.

21 SECTION 24. IC 4-31-5.5-7 IS ADDED TO THE INDIANA CODE
22 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
23 1, 2002]: **Sec. 7. (a) This section applies to real property owned by
24 a permit holder authorized to conduct live pari-mutuel horse
25 racing at the permit holder's racetrack in a county having a
26 population of more than forty-three thousand (43,000) but less
27 than forty-five thousand (45,000).**

28 **(b) A zoning ordinance that permits real property to be used as
29 a racetrack for the purpose of conducting live pari-mutuel horse
30 racing must be construed to authorize the permit holder to operate
31 a satellite facility on the real property. An ordinance described in
32 this section may not be amended to prohibit the permit holder
33 from operating a satellite facility on the real property.**

34 SECTION 25. IC 4-31-7-1 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A person holding
36 a permit to conduct a horse racing meeting or a license to operate a
37 satellite facility may provide a place in the racing meeting grounds or
38 enclosure or the satellite facility at which the person may conduct and
39 supervise the pari-mutuel system of wagering by patrons of legal age
40 on the horse races conducted or simulcast by the person. The person
41 may not permit or use:

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

45 **However, a person holding a permit to conduct a horse racing
46 meeting may permit wagering on pari-mutuel pull tabs at the
47 person's racetrack or satellite facility as permitted by IC 4-31-7.5.**

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

5 SECTION 26. IC 4-31-7-2 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person less
 7 than eighteen (18) years of age may not wager at a horse racing
 8 meeting.

9 (b) A person less than ~~seventeen (17)~~ **eighteen (18)** years of age
 10 may not enter the grandstand, clubhouse, or similar areas of a racetrack
 11 at which wagering is permitted unless accompanied by a person who
 12 is at least twenty-one (21) years of age.

13 (c) A person less than eighteen (18) years of age may not enter a
 14 satellite facility.

15 (d) **A person less than twenty-one (21) years of age may not**
 16 **enter the part of a satellite facility or racetrack in which**
 17 **pari-mutuel pull tabs are sold and redeemed.**

18 SECTION 27. IC 4-31-7.5 IS ADDED TO THE INDIANA CODE
 19 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2002]:

21 **Chapter 7.5. Pari-Mutuel Pull Tabs**

22 **Sec. 1. (a) This chapter applies only to the sale of pari-mutuel**
 23 **pull tabs by a person that holds a permit to conduct a pari-mutuel**
 24 **horse racing meeting issued under IC 4-31-5.**

25 **(b) This chapter does not apply to the sale of pull tabs by a**
 26 **qualified organization (as defined in IC 4-32-6-20) under IC 4-32.**

27 **Sec. 2. A pari-mutuel pull tab game must be conducted in the**
 28 **following manner:**

29 **(1) Each set of tickets must have a predetermined:**

30 **(A) total purchase price; and**

31 **(B) amount of prizes.**

32 **(2) Randomly ordered pari-mutuel pull tab tickets may be**
 33 **distributed from an approved location or from a distribution**
 34 **device to:**

35 **(A) the permit holder at the permit holder's racetrack or**
 36 **satellite facility, or both; or**

37 **(B) a terminal or device of the permit holder at the permit**
 38 **holder's racetrack or satellite facility, or both.**

39 **(3) A pari-mutuel pull tab ticket must be presented to a player**
 40 **in the form of a paper ticket or display on a terminal or**
 41 **device.**

42 **(4) Game results must be initially covered or otherwise**
 43 **concealed from view on the pari-mutuel pull tab ticket,**
 44 **terminal, or device so that the number, letter, symbol, or set**
 45 **of numbers, letters, or symbols cannot be seen until the**
 46 **concealing medium is removed.**

47 **(5) A winner is identified after the display of the game results**

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when a player removes the concealing medium of the pari-mutuel pull tab ticket or display on a terminal or device.

(6) A winner shall receive the prize or prizes posted or displayed for the game from the permit holder.

Sec. 3. A person less than twenty-one (21) years of age may not purchase a pari-mutuel pull tab ticket.

Sec. 4. The sale price of a pari-mutuel pull tab ticket may not exceed ten dollars (\$10).

Sec. 5. (a) The sale, purchase, and redemption of pari-mutuel pull tab tickets are limited to the following locations:

- (1) A live pari-mutuel horse racing facility operated by a permit holder under a recognized meeting permit in a county having a population of more than forty-three thousand (43,000) but less than forty-five thousand (45,000).
- (2) A satellite facility that is located in a county containing a consolidated city and operated by a permit holder described in subdivision (1).
- (3) A live pari-mutuel horse racing facility operated by a permit holder under a recognized meeting permit in a county having a population of more than one hundred thirty thousand (130,000) but less than one hundred forty-five thousand (145,000).
- (4) A satellite facility that is located in a county containing a consolidated city and operated by a permit holder described in subdivision (3).

(b) A permit holder may not install more than:

- (1) seven hundred (700) pull tab terminals or devices on the premises of the permit holder's live pari-mutuel horse racing facility; and
- (2) seven hundred (700) pull tab terminals or devices on the premises of the permit holder's satellite facility located in a county containing a consolidated city.

(c) Notwithstanding IC 4-31-5.5-3, the Indiana horse racing commission may issue the satellite facility license described in subsection (a)(2) before a permit holder described in subsection (a)(1) commences an initial racing meeting.

(d) If:

- (1) the Indiana horse racing commission issues the satellite facility license described in subsection (a)(2) before the permit holder described in subsection (a)(1) commences the initial racing meeting; and
- (2) the initial racing meeting is commenced more than one (1) year after the date on which the satellite facility begins operation under the satellite facility license;

the satellite facility's business operations shall be suspended until the commencement of the initial racing meeting.

Sec. 6. The number and amount of the prizes in a pari-mutuel pull tab game must be finite but may not be limited.

1 **Sec. 7. A list of prizes for winning pari-mutuel pull tab tickets**
2 **must be posted or displayed at a location where the tickets are sold.**

3 **Sec. 8. A permit holder may close a pari-mutuel pull tab game**
4 **at any time.**

5 **Sec. 9. A terminal or device selling pari-mutuel pull tab tickets**
6 **may be operated by a player without the assistance of the permit**
7 **holder for the sale and redemption of pari-mutuel pull tab tickets.**

8 **Sec. 10. A terminal or device selling pari-mutuel pull tab tickets**
9 **may not dispense coins or currency as prizes for winning tickets.**
10 **Prizes awarded by a terminal or device must be in the form of**
11 **credits for additional play or certificates redeemable for cash or**
12 **prizes.**

13 **Sec. 11. (a) The Indiana gaming commission shall adopt rules**
14 **under IC 4-22-2, including emergency rules under IC 4-22-2-37.1,**
15 **to implement this chapter, including rules that prescribe:**

16 **(1) an approval process for pari-mutuel pull tab games that**
17 **requires periodic testing of the games and equipment by an**
18 **independent entity under the oversight of the commission to**
19 **ensure the integrity of the games to the public;**

20 **(2) a system of internal audit controls;**

21 **(3) a method of payment for pari-mutuel pull tab prizes that**
22 **allows a player to transfer credits from one (1) terminal or**
23 **device to another;**

24 **(4) a method of payment for pari-mutuel pull tab prizes that**
25 **allows a player to redeem a winning ticket for additional play**
26 **tickets or credit to permit purchase of additional play tickets;**

27 **(5) requirements for a license to sell pari-mutuel pull tabs that**
28 **a permit holder must obtain from the commission before**
29 **selling pari-mutuel pull tabs; and**

30 **(6) any other procedure or requirement necessary for the**
31 **efficient and economical operation of the pari-mutuel pull tab**
32 **games and the convenience of the public.**

33 **(b) The Indiana gaming commission may enter into a contract**
34 **with the Indiana horse racing commission for the provision of**
35 **services necessary to administer pari-mutuel pull tab games.**

36 **Sec. 12. (a) The Indiana gaming commission may issue a license**
37 **to a permit holder to sell pari-mutuel pull tabs under this chapter**
38 **at the locations described in section 5 of this chapter.**

39 **(b) Before issuing a license to a permit holder under this section,**
40 **the Indiana gaming commission shall subject the permit holder to**
41 **a background investigation similar to a background investigation**
42 **required of an applicant for a riverboat owner's license under**
43 **IC 4-33-6.**

44 **(c) An initial pari-mutuel pull tab license expires five (5) years**
45 **after the effective date of the license.**

46 **(d) Unless the pari-mutuel pull tab license is terminated, expires,**
47 **or is revoked, the pari-mutuel pull tab license may be renewed**
48 **annually upon:**

1 (1) the payment of an annual renewal fee determined by the
2 Indiana gaming commission; and

3 (2) a determination by the Indiana gaming commission that
4 the licensee satisfies the conditions of this chapter.

5 (e) A permit holder holding a pari-mutuel pull tab license shall
6 undergo a complete investigation every three (3) years to
7 determine that the permit holder remains in compliance with this
8 article.

9 (f) Notwithstanding subsection (e), the Indiana gaming
10 commission may investigate a permit holder at any time the
11 commission determines it is necessary to ensure that the licensee
12 remains in compliance with this article.

13 (g) The permit holder shall bear the cost of an investigation or
14 reinvestigation of the permit holder and any investigation resulting
15 from a potential transfer of ownership.

16 Sec. 13. The Indiana gaming commission may assess an
17 administrative fee to a permit holder offering pari-mutuel pull tab
18 games in an amount that allows the commission to recover all of
19 the commission's costs of administering the pari-mutuel pull tab
20 games.

21 Sec. 14. The Indiana gaming commission may not permit the
22 sale of pari-mutuel pull tab tickets in a county where a riverboat
23 is docked.

24 Sec. 15. All shipments of gambling devices, including
25 pari-mutuel pull tab machines, to permit holders in Indiana, the
26 registering, recording, and labeling of which have been completed
27 by the manufacturer or dealer in accordance with 15 U.S.C. 1171
28 through 15 U.S.C. 1178, are legal shipments of gambling devices
29 into Indiana.

30 Sec. 16. Under 15 U.S.C. 1172, approved January 2, 1951, the
31 state of Indiana, acting by and through elected and qualified
32 members of the legislature, declares and proclaims that the state
33 is exempt from 15 U.S.C. 1172.

34 Sec. 17. The Indiana gaming commission shall regulate and
35 administer the sale, purchase, and redemption of pari-mutuel pull
36 tab tickets under this chapter.

37 SECTION 28. IC 4-31-7.6 IS ADDED TO THE INDIANA CODE
38 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2002]:

40 **Chapter 7.6. Taxation of Pari-Mutuel Pull Tabs and Fees**

41 Sec. 1. (a) This chapter applies only to the lawful sale of
42 pari-mutuel pull tabs by a person that:

43 (1) holds a permit to conduct a pari-mutuel horse racing
44 meeting issued under IC 4-31-5; and

45 (2) is authorized to sell pari-mutuel pull tabs under
46 IC 4-31-7.5.

47 (b) This chapter does not apply to the sale of pull tabs by a
48 qualified organization (as defined in IC 4-32-6-20) under IC 4-32.

1 (c) This chapter may not itself be construed to authorize the sale
2 of pari-mutuel pull tabs.

3 Sec. 2. As used in this chapter, "adjusted gross receipts" means:

4 (1) the total of all cash and property (including checks
5 received by a permit holder, whether collected or not)
6 received by a permit holder from pari-mutuel pull tab sales;
7 minus

8 (2) the total of:

9 (A) all cash paid out to patrons as winnings for
10 pari-mutuel pull tabs; and

11 (B) uncollectible pari-mutuel pull tab receivables, not to
12 exceed the lesser of:

13 (i) a reasonable provision for uncollectible patron checks
14 received from pari-mutuel pull tab sales; or

15 (ii) two percent (2%) of the total of all sums, including
16 checks, whether collected or not, less the amount paid
17 out to patrons as winnings for pari-mutuel pull tabs.

18 For purposes of this section, a counter or personal check that is
19 invalid or unenforceable under this article is considered cash
20 received by the permit holder from pari-mutuel pull tab sales.

21 Sec. 2.5. As used in this chapter, "county resident student"
22 means a student enrolled in a school corporation who resides in a
23 county having a population of more than one hundred thirty
24 thousand (130,000) but less than one hundred forty-five thousand
25 (145,000).

26 Sec. 3. (a) A tax is imposed on the adjusted gross receipts
27 received from the sale of pari-mutuel pull tabs authorized under
28 this article at the rate of:

29 (1) thirty-two and five-tenths percent (32.5%) of the first one
30 hundred fifty million dollars (\$150,000,000) of the adjusted
31 gross receipts received during the period beginning July 1 of
32 each year and ending June 30 of the following year; and

33 (2) thirty-seven and five-tenths percent (37.5%) of the
34 adjusted gross receipts exceeding one hundred fifty million
35 dollars (\$150,000,000) received during the period beginning
36 July 1 of each year and ending June 30 of the following year.

37 For purposes of calculating the amount of taxes imposed under this
38 section each day, a permit holder shall combine the permit holder's
39 adjusted gross receipts received from the sale of pari-mutuel pull
40 tabs at the permit holder's racetrack and the permit holder's
41 satellite facility located in a county containing a consolidated city.

42 (b) The permit holder shall remit the tax imposed by this section
43 to the department before the close of the business day following the
44 day the pari-mutuel pull tabs are sold.

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

47 (d) If the department requires taxes to be remitted under this
48 chapter through electronic funds transfer, the department may

1 allow the permit holder to file a monthly report to reconcile the
2 amounts remitted to the department.

3 (e) The department may allow taxes remitted under this section
4 to be reported on the same form used for taxes paid under
5 IC 4-31-9.

6 Sec. 4. (a) The state pull tab wagering fund is established.
7 Money in the fund does not revert to the state general fund at the
8 end of a state fiscal year.

9 (b) The department shall deposit tax revenue collected under
10 section 3 of this chapter in the state pull tab wagering fund.

11 (c) Each month, the treasurer of state shall distribute the tax
12 revenue deposited in the state pull tab wagering fund under this
13 section as follows:

14 (1) Thirty percent (30%) of the tax revenue remitted by each
15 permit holder shall be paid as follows:

16 (A) In the case of a racetrack that is located in a county
17 having a population of more than one hundred thirty
18 thousand (130,000) but less than one hundred forty-five
19 thousand (145,000), the amount determined under
20 subsection (d) shall be paid as follows:

21 (i) Fifty-eight percent (58%) to a city having a
22 population of more than fifty-nine thousand seven
23 hundred (59,700) but less than sixty-five thousand
24 (65,000).

25 (ii) Seventeen percent (17%) to the capital projects fund
26 of the county for distribution by the county legislative
27 body.

28 (iii) Seventeen percent (17%) to the school corporations
29 located in the county. The tax revenue distributed under
30 this item must be divided among the school corporations
31 on a pro rata basis according to the ratio the number of
32 county resident students enrolled in each school
33 corporation bears to the total number of county resident
34 students enrolled in the school corporations located in
35 the county. Revenue received by a school corporation
36 under this item is considered miscellaneous revenue.

37 (iv) Eight percent (8%) to the incorporated cities and
38 towns located in the county other than a city described in
39 item (i). The tax revenue distributed under this item
40 must be divided among the cities and towns on a pro rata
41 basis according to the ratio the population of each city or
42 town bears to the total population of the county minus
43 the population of a city described in item (i).

44 (B) In the case of a racetrack that is located in a county
45 having a population of more than forty-three thousand
46 (43,000) but less than forty-five thousand (45,000), the
47 amount determined under subsection (e) shall be paid in
48 equal amounts to:

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- (i) the county; and
- (ii) a city having a population of more than seventeen thousand nine hundred (17,900) but less than eighteen thousand one hundred (18,100) that is located in the county.

(C) In the case of the satellite facilities located in a county containing a consolidated city, the amount determined under subsection (f) shall be paid as follows:

- (i) Forty-one and seven-tenths percent (41.7%) to the consolidated city.
- (ii) Twenty and eight-tenths percent (20.8%) to the housing trust fund established under IC 36-7-15.1-35.5(e).
- (iii) Twelve and five-tenths percent (12.5%) to the county.
- (iv) Twenty-five percent (25%) to the school corporations located in the county containing a consolidated city. The tax revenue distributed under this item must be divided among the school corporations on a pro rata basis according to each school corporation's ADM (as defined in IC 21-3-1.6-1.1).

(2) After the distributions required under subdivision (1) are made, the next twenty-six million dollars (\$26,000,000) of tax revenue shall be paid to the commission to be distributed as follows:

(A) Three percent (3%) is to be distributed as follows for the support and operation of the following horsemen's associations (as defined in IC 4-31-8-6):

- (i) Forty-five percent (45%) to the horsemen's associations representing the standardbred owners and trainers.
- (ii) Forty-five percent (45%) to the horsemen's associations representing the thoroughbred owners and trainers.
- (iii) Ten percent (10%) to the horsemen's associations representing the quarterhorse owners and trainers.

(B) The remainder is to be distributed, in amounts determined by the commission, for the promotion and operation of horse racing, as follows:

- (i) To a breed development fund established by the commission under IC 4-31-11-10.
- (ii) To each racetrack that has been approved by the commission under this article. The commission may make a grant under this item only for purses, promotions, and routine operations.
- (iii) To county fairs, 4-H fairs, a fair located in a town having a population of more than one thousand one hundred (1,100) located in a county having a population

1 of more than thirty-six thousand seventy-five (36,075)
 2 but less than thirty-seven thousand (37,000), and a
 3 trotting association located in a county having a
 4 population of more than twenty-one thousand eight
 5 hundred (21,800) but less than twenty-two thousand one
 6 hundred (22,100). Distributions made under this item
 7 shall be used for the maintenance and operation of horse
 8 racing facilities.

9 (3) After the distributions required under subdivisions (1) and
 10 (2) are made, the remainder of tax revenue remitted by each
 11 permit holder shall be paid to the state general fund.

12 (d) This subsection applies to tax revenues received from a
 13 racetrack located in a county having a population of more than one
 14 hundred thirty thousand (130,000) but less than one hundred
 15 forty-five thousand (145,000). The amount of tax revenues to be
 16 distributed under subsection (c)(1)(A) is determined under STEP
 17 FIVE of the following formula:

18 STEP ONE: Determine the total amount of tax revenue
 19 remitted by the permit holder in the preceding month.

20 STEP TWO: Determine the amount of tax revenue remitted
 21 by the permit holder in the preceding month attributable to
 22 adjusted gross receipts received from the racetrack.

23 STEP THREE: Determine the ratio of the STEP TWO
 24 amount to the STEP ONE amount.

25 STEP FOUR: Multiply the STEP ONE amount by thirty
 26 percent (30%).

27 STEP FIVE: Multiply the STEP FOUR result by the ratio
 28 determined under STEP THREE.

29 (e) This subsection applies to tax revenues received from a
 30 racetrack located in a county having a population of more than
 31 forty-three thousand (43,000) but less than forty-five thousand
 32 (45,000). The amount of tax revenues to be distributed under
 33 subsection (c)(1)(B) is determined under STEP FIVE of the
 34 following formula:

35 STEP ONE: Determine the total amount of tax revenue
 36 remitted by the permit holder in the preceding month.

37 STEP TWO: Determine the amount of tax revenue remitted
 38 by the permit holder in the preceding month attributable to
 39 adjusted gross receipts received from the racetrack.

40 STEP THREE: Determine the ratio of the STEP TWO
 41 amount to the STEP ONE amount.

42 STEP FOUR: Multiply the STEP ONE amount by thirty
 43 percent (30%).

44 STEP FIVE: Multiply the STEP FOUR result by the ratio
 45 determined under STEP THREE.

46 (f) This subsection applies to tax revenues received from both
 47 satellite facilities located in a county containing a consolidated city.
 48 The amount of the tax revenues distributed under subsection

- 1 (c)(1)(C) is determined under STEP SIX of the following formula:
- 2 **STEP ONE: Determine the sum of the subsection (d) STEP**
- 3 **ONE amount and the subsection (e) STEP ONE amount.**
- 4 **STEP TWO: Determine the sum of the subsection (d) STEP**
- 5 **TWO amount and the subsection (e) STEP TWO amount.**
- 6 **STEP THREE: Determine the remainder of the sum**
- 7 **determined under STEP ONE minus the sum determined**
- 8 **under STEP TWO.**
- 9 **STEP FOUR: Determine the ratio of the amount determined**
- 10 **under STEP THREE to the sum determined under STEP**
- 11 **ONE.**
- 12 **STEP FIVE: Multiply the sum determined under STEP ONE**
- 13 **by thirty percent (30%).**
- 14 **STEP SIX: Multiply the STEP FIVE result by the ratio**
- 15 **determined under STEP FOUR.**

16 **Sec. 5. (a) As used in this section, "net receipts" means a permit**
 17 **holder's adjusted gross receipts, minus any taxes paid under**
 18 **section 3 of this chapter.**

19 **(b) Beginning January 1 following the second anniversary of the**
 20 **date that the sale of pari-mutuel pull tab tickets begins at a location**
 21 **described in this chapter and every year thereafter, the permit**
 22 **holder shall pay the percentage of the permit holder's net receipts**
 23 **set forth in subsection (c) to the commission for purse money and**
 24 **breed development.**

25 **(c) Beginning January 1 of the following years of operation, the**
 26 **purse money and breed development fee is equal to the following**
 27 **percentages of the permit holder's net receipts:**

28 Year 3	2%
29 Year 4	2%
30 Year 5	5%
31 Year 6	7%
32 Year 7	8%
33 Year 8	9%
34 Year 9	10%
35 Year 10 and each	
36 year thereafter	12%

37 **(d) The commission shall allocate money received under this**
 38 **section to purses and breed development.**

39 **Sec. 6. (a) The commission shall annually impose a supplemental**
 40 **fee of two hundred fifty thousand dollars (\$250,000) upon each**
 41 **permit holder operating a racetrack under this article.**

42 **(b) Fifty percent (50%) of the annual fees collected under this**
 43 **section must be used for training facilities and capital**
 44 **improvements, including stall improvements.**

45 **(c) Fifty percent (50%) of the annual fees collected under this**
 46 **section must be used to promote live racing at county and 4-H**
 47 **fairgrounds.**

48 **Sec. 7. This chapter does not prohibit a city or county in which**

1 **pari-mutuel pull tabs are offered for sale under IC 4-31-7.5 from**
 2 **entering into agreements with other units of local government in**
 3 **Indiana or in other states to share the city's or county's part of the**
 4 **tax revenue received under this chapter.**

5 SECTION 29. IC 4-31-9-1 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. A person that holds
 7 a permit to conduct a horse racing meeting or a license to operate a
 8 satellite facility shall withhold:

- 9 (1) eighteen percent (18%) of the total of money wagered on each
 10 day at the racetrack or satellite facility (including money wagered
 11 on exotic wagering pools **but excluding money wagered on**
 12 **pari-mutuel pull tabs under IC 4-31-7.5**); plus
- 13 (2) an additional three and one-half percent (3.5%) of the total of
 14 all money wagered on exotic wagering pools on each day at the
 15 racetrack or satellite facility.

16 SECTION 30. IC 4-31-11-11 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. Each development
 18 fund consists of:

- 19 (1) breakage and outs paid into the fund under IC 4-31-9-10;
- 20 (2) appropriations by the general assembly;
- 21 (3) gifts;
- 22 (4) stakes payments;
- 23 (5) entry fees; and
- 24 (6) money paid into the fund under ~~IC 4-33-12-6.~~
 25 **IC 4-33-13-5(a)(2)(A).**

26 SECTION 31. IC 4-32-15-1 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. An excise tax is
 28 imposed on the distribution of pull tabs (**excluding pari-mutuel pull**
 29 **tabs under IC 4-31-7.5**), punchboards, and tip boards in the amount
 30 of ten percent (10%) of the wholesale price for the pull tabs,
 31 punchboards, and tip boards.

32 SECTION 32. IC 4-33-1-1 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This article
 34 applies only to the following:

- 35 (1) Counties contiguous to Lake Michigan.
- 36 (2) Counties contiguous to the Ohio River.
- 37 (3) ~~Counties contiguous to Patoka Lake.~~ **A historic district that:**
 38 **(A) is established under IC 36-7-11;**
 39 **(B) is located in a county having a population of more than**
 40 **nineteen thousand three hundred (19,300) but less than**
 41 **twenty thousand (20,000); and**
 42 **(C) consists solely of the real property owned by the**
 43 **historic resort hotels located in:**
 44 **(i) a town having a population of more than one**
 45 **thousand five hundred (1,500) but less than two**
 46 **thousand two hundred (2,200); and**
 47 **(ii) a town having a population of less than one thousand**

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five hundred (1,500).
SECTION 33. IC 4-33-2-5.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5.6. "Cruise" means to depart from the dock while gambling is being conducted.**

SECTION 34. IC 4-33-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. "Dock" means the location where ~~an excursion~~ a riverboat moors for the purpose of embarking passengers for and disembarking passengers from a ~~gambling excursion.~~ **the riverboat.**

SECTION 35. IC 4-33-2-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11.5. "Historic resort hotel" means a structure originally built as a hotel that contained at least three hundred (300) sleeping rooms on or before January 1, 1930.**

SECTION 36. IC 4-33-2-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 13.5. "Licensed operating agent" means a person licensed under IC 4-33-6.5 to operate a riverboat in a historic district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission.**

SECTION 37. IC 4-33-2-14.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 14.5. "Operating agent's license" means a license issued under IC 4-33-6.5 that allows a person to operate a riverboat in a historic district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission.**

SECTION 38. IC 4-33-2-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15.5. "Patron" means an individual who:**

- (1) boards a riverboat; and**
- (2) is not entitled to receive a tax free pass.**

SECTION 39. IC 4-33-2-15.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15.7. "Permanently moored vessel" means a vessel that is either:**

- (1) a vessel that has previously been issued a United States Coast Guard certificate of inspection and has been removed from navigation; or**
- (2) a vessel located in a historic district described in IC 4-33-1-1(3) on which lawful gambling is authorized and licensed under this article.**

The term does not include a barge.

SECTION 40. IC 4-33-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. "Person" means

1 an individual, a sole proprietorship, a partnership, an association, a
2 fiduciary, a corporation, a limited liability company, **a historic district**,
3 or any other business entity.

4 SECTION 41. IC 4-33-2-16.3 IS ADDED TO THE INDIANA
5 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
6 **[EFFECTIVE JULY 1, 2002] Sec. 16.3. "Pari-mutuel pull tab" has**
7 **the meaning set forth in IC 4-31-2-11.5.**

8 SECTION 42. IC 4-33-2-17 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. "Riverboat"
10 means **either of the following on which lawful gambling is**
11 **authorized under this article:**

12 (1) A self-propelled ~~excursion~~ boat located in a county described
13 in ~~IC 4-33-1-1~~ **on which lawful gambling is authorized and**
14 **licensed under this article. IC 4-33-1-1(1) or IC 4-33-1-1(2) that**
15 **complies with IC 4-33-6-6(a).**

16 (2) **A permanently moored vessel.**

17 SECTION 43. IC 4-33-3-7 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. Each member of the
19 commission is entitled to receive the following:

20 (1) Salary per diem as ~~provided in IC 4-10-11-2.1(b);~~ **of one**
21 **hundred dollars (\$100)** for each day the member does any of the
22 following:

23 (A) Attends a meeting of the commission.

24 (B) Conducts a hearing under this article.

25 (2) Reimbursement for traveling expenses and other expenses
26 actually incurred in connection with the member's duties, as
27 provided in the state travel policies and procedures established by
28 the department of administration and approved by the budget
29 agency.

30 SECTION 44. IC 4-33-4-2 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The commission
32 shall adopt rules under IC 4-22-2 for the following purposes:

33 (1) Administering this article.

34 (2) Establishing the conditions under which riverboat gambling
35 in Indiana may be conducted.

36 (3) Providing for the prevention of practices detrimental to the
37 public interest and providing for the best interests of riverboat
38 gambling.

39 ~~(4) With respect to riverboats that operate on Patoka Lake;~~
40 ~~ensuring:~~

41 ~~(A) the prevention of practices detrimental to the natural~~
42 ~~environment and scenic beauty of Patoka Lake; and~~

43 ~~(B) compliance by licensees and riverboat patrons with the~~
44 ~~requirements of IC 14-26-2-5 and IC 14-28-1.~~

45 ~~(5)~~ **(4)** Establishing rules concerning inspection of riverboats and
46 the review of the permits or licenses necessary to operate a
47 riverboat.

- 1 ~~(5)~~ (5) Imposing penalties for noncriminal violations of this
2 article.
- 3 **(6) Establishing ethical standards regulating the conduct of**
4 **members of a historic preservation commission established**
5 **under IC 36-7-11-4.5 with regard to the selection and**
6 **licensure of an operating agent to operate a riverboat in a**
7 **historic district described in IC 4-33-1-1(3).**
- 8 **(7) Establishing the conditions under which the sale, purchase,**
9 **and redemption of pari-mutuel pull tabs may be conducted**
10 **under IC 4-31-7.5.**
- 11 SECTION 45. IC 4-33-4-3, AS AMENDED BY P.L.14-2000,
12 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 UPON PASSAGE]: Sec. 3. (a) The commission shall do the following:
- 14 (1) Adopt rules that the commission determines necessary to
15 protect or enhance the following:
- 16 (A) The credibility and integrity of gambling operations
17 authorized by this article.
- 18 (B) The regulatory process provided in this article.
- 19 ~~(C) The natural environment and scenic beauty of Patoka~~
20 ~~Lake.~~
- 21 (2) Conduct all hearings concerning civil violations of this article.
- 22 (3) Provide for the establishment and collection of license fees
23 and taxes imposed under this article.
- 24 (4) Deposit the license fees and taxes in the state gaming fund
25 established by IC 4-33-13.
- 26 (5) Levy and collect penalties for noncriminal violations of this
27 article.
- 28 (6) Deposit the penalties in the state gaming fund established by
29 IC 4-33-13.
- 30 (7) Be present through the commission's inspectors and agents
31 during the time gambling operations are conducted on a riverboat
32 to do the following:
- 33 (A) Certify the revenue received by a riverboat.
- 34 (B) Receive complaints from the public.
- 35 (C) Conduct other investigations into the conduct of the
36 gambling games and the maintenance of the equipment that
37 the commission considers necessary and proper.
- 38 ~~(D) With respect to riverboats that operate on Patoka Lake,~~
39 ~~ensure compliance with the following:~~
- 40 ~~(i) IC 14-26-2-6.~~
- 41 ~~(ii) IC 14-26-2-7.~~
- 42 ~~(iii) IC 14-28-1.~~
- 43 (8) Adopt emergency rules under IC 4-22-2-37.1 if the
44 commission determines that:
- 45 (A) the need for a rule is so immediate and substantial that
46 rulemaking procedures under IC 4-22-2-13 through
47 IC 4-22-2-36 are inadequate to address the need; and

- 1 (B) an emergency rule is likely to address the need.
- 2 (b) The commission shall begin rulemaking procedures under
3 IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted
4 under subsection (a)(8) not later than thirty (30) days after the adoption
5 of the emergency rule under subsection (a)(8).
- 6 SECTION 46. IC 4-33-4-10 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. **If a riverboat**
8 **crui**ses, the commission shall authorize the route of **a the** riverboat and
9 the stops, if any, that the riverboat may make **while on a cruise**.
- 10 SECTION 47. IC 4-33-4-13 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) **This**
12 **section does not apply to a riverboat located in a county having a**
13 **population of more than nineteen thousand three hundred (19,300)**
14 **but less than twenty thousand (20,000).**
- 15 (b) After consulting with the United States Army Corps of
16 Engineers, the commission may do the following:
- 17 (1) Determine the waterways that are navigable waterways for
18 purposes of this article.
- 19 (2) Determine the navigable waterways that are suitable for the
20 operation of riverboats under this article.
- 21 ~~(b)~~ (c) In determining the navigable waterways on which riverboats
22 may operate, the commission shall do the following:
- 23 (1) Obtain any required approvals from the United States Army
24 Corps of Engineers for the operation of riverboats on those
25 waterways.
- 26 (2) Consider the economic benefit that riverboat gambling
27 provides to Indiana.
- 28 (3) Seek to ensure that all regions of Indiana share in the
29 economic benefits of riverboat gambling.
- 30 ~~(4) Considering IC 14-26-2-6, IC 14-26-2-7, and IC 14-28-1,~~
31 ~~conduct a feasibility study concerning:~~
- 32 ~~(A) the environmental impact of the navigation and docking of~~
33 ~~riverboats upon Patoka Lake; and~~
- 34 ~~(B) the impact of the navigation and docking of riverboats~~
35 ~~upon the scenic beauty of Patoka Lake.~~
- 36 SECTION 48. IC 4-33-4-15 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. The
38 commission shall annually do the following:
- 39 (1) Review the patterns of wagering and wins and losses by
40 persons on riverboat gambling operations under this article.
- 41 (2) Make recommendations to the governor and the general
42 assembly concerning whether limits on wagering losses should be
43 imposed.
- 44 ~~(3) Examine the impact on the natural environment and scenic~~
45 ~~beauty of Patoka Lake made by the navigation and docking of~~
46 ~~riverboats.~~
- 47 SECTION 49. IC 4-33-4-21.2, AS AMENDED BY P.L.215-2001,

1 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 21.2. (a) The Indiana gaming commission
3 shall require a licensed owner to conspicuously display the number of
4 the toll free telephone line described in ~~IC 4-33-12-6~~ **IC 4-33-13-5(d)**
5 in the following locations:

6 (1) On each admission ticket to a riverboat ~~gambling excursion~~
7 **if tickets are issued.**

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

10 (b) The toll free telephone line described in ~~IC 4-33-12-6~~
11 **IC 4-33-13-5(d)** must be:

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

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

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

18 SECTION 50. IC 4-33-6-1 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The
20 commission may issue to a person a license to own ~~one (1)~~ **a** riverboat
21 subject to the numerical and geographical limitation of owner's licenses
22 under this section, **section 3.5 of this chapter**, and IC 4-33-4-17.
23 However, not more than eleven (11) owner's licenses may be in effect
24 at any time. Except as provided in subsection (b), those eleven (11)
25 licenses are as follows:

26 (1) Two (2) licenses for a riverboat that operates from the largest
27 city located in the counties described under IC 4-33-1-1(1).

28 (2) One (1) license for a riverboat that operates from the second
29 largest city located in the counties described under
30 IC 4-33-1-1(1).

31 (3) One (1) license for a riverboat that operates from the third
32 largest city located in the counties described under
33 IC 4-33-1-1(1).

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

37 (5) A total of five (5) licenses for riverboats that operate upon the
38 Ohio River from counties described under IC 4-33-1-1(2). The
39 commission may not issue a license to an applicant if the issuance
40 of the license would result in more than one (1) riverboat
41 operating from a county described in IC 4-33-1-1(2).

42 (6) One (1) license for a riverboat that operates ~~upon Patoka Lake~~
43 **from a county in a historic district** described under
44 IC 4-33-1-1(3).

45 (b) If a city described in subsection (a)(2) or (a)(3) conducts two (2)
46 elections under section 20 of this chapter and the voters of the city do
47 not vote in favor of permitting riverboat gambling at either of those

1 elections, the license assigned to that city under subsection (a)(2) or
 2 (a)(3) may be issued to any city that:

- 3 (1) does not already have a riverboat operating from the city; and
- 4 (2) is located in a county described in IC 4-33-1-1(1).

5 SECTION 51. IC 4-33-6-2 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A person
 7 applying for an owner's license under this chapter must pay a
 8 nonrefundable application fee to the commission. The commission
 9 shall determine the amount of the application fee. **However, the**
 10 **historic district described in IC 4-33-1-1(3) or a member of the**
 11 **district's historic preservation commission is not required to pay**
 12 **the fee charged under this subsection.**

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

- 15 (1) If the applicant is an individual, two (2) sets of the individual's
 16 fingerprints.
- 17 (2) If the applicant is not an individual, two (2) sets of fingerprints
 18 for each officer and director of the applicant.

19 (c) The commission shall review the applications for an owner's
 20 license under this chapter and shall inform each applicant of the
 21 commission's decision concerning the issuance of the owner's license.

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

25 (e) An applicant for an owner's license under this chapter must pay
 26 all additional costs that are:

- 27 (1) associated with the investigation of the applicant; and
- 28 (2) greater than the amount of the application fee paid by the
 29 applicant.

30 **(f) The commission shall recoup all the costs associated with**
 31 **investigating or reinvestigating an applicant that is a member of a**
 32 **historic preservation commission described in subsection (a) by**
 33 **imposing a special investigation fee upon the historic preservation**
 34 **commission's licensed operating agent.**

35 SECTION 52. IC 4-33-6-3 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The commission
 37 may not issue an owner's license under this chapter to a person if:

- 38 (1) the person has been convicted of a felony under Indiana law,
 39 the laws of any other state, or laws of the United States;
- 40 (2) the person has knowingly or intentionally submitted an
 41 application for a license under this chapter that contains false
 42 information;
- 43 (3) the person is a member of the commission;
- 44 (4) the person is an officer, a director, or a managerial employee
 45 of a person described in subdivision (1) or (2);
- 46 (5) the person employs an individual who:
 47 (A) is described in subdivision (1), (2), or (3); and

- 1 (B) participates in the management or operation of gambling
 2 operations authorized under this article;
 3 (6) the person owns an ownership interest of more than ten
 4 percent (10%) in more than one (1) other person holding an
 5 owner's license issued under the total amount of ownership
 6 interest permitted under section 3.5 of this chapter; or
 7 (7) a license issued to the person:
 8 (A) under this article; or
 9 (B) to own or operate gambling facilities in another
 10 jurisdiction;
 11 has been revoked.

12 SECTION 53. IC 4-33-6-3.5 IS ADDED TO THE INDIANA CODE
 13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 14 UPON PASSAGE]: **Sec. 3.5. (a) For purposes of this section, a
 15 person is considered to have an ownership interest in a riverboat
 16 owner's license if the interest is owned directly or indirectly by the
 17 person or by an entity controlled by the person.**

18 **(b) For purposes of this section, a person is considered to have
 19 an ownership interest in a riverboat license if the person is under
 20 contract to be the licensed operating agent for the riverboat.**

21 **(c) A person may have up to a one hundred percent (100%)
 22 ownership interest in not more than two (2) riverboat licenses
 23 issued under this chapter.**

24 **(d) A person may not have an ownership interest in more than
 25 two (2) riverboat owner's licenses issued under this chapter.
 26 However, if a person:**

27 **(1) has an ownership interest in a riverboat; and**

28 **(2) manages a pari-mutuel pull tab facility under IC 4-31-7.5;
 29 the person may not have an ownership interest in any other
 30 riverboat owner's licenses issued under this chapter.**

31 **(e) This section may not be construed to increase the maximum
 32 number of licenses permitted under section 1 of this chapter or the
 33 number of riverboats that may be owned and operated under a
 34 license under section 10 of this chapter.**

35 SECTION 54. IC 4-33-6-5 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5. (a) This section
 37 does not apply to a riverboat located in a historic district described
 38 in IC 4-33-1-1(3).**

39 **(b) In an application for an owner's license, the applicant must state
 40 the dock at which the riverboat is based and the navigable waterway on
 41 which the riverboat will operate.**

42 SECTION 55. IC 4-33-6-6 IS AMENDED TO READ AS
 43 FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6. (a) Except as
 44 provided in subsection (d), a riverboat that operates in a county
 45 described in IC 4-33-1-1(1) or IC 4-33-1-1(2) must:**

46 **(1) have a valid certificate of inspection from the United States
 47 Coast Guard for the carrying of at least five hundred (500)**

- 1 passengers; and
 2 (2) be at least one hundred fifty (150) feet in length.
- 3 (b) A riverboat that operates ~~on Patoka Lake~~ **in a county described**
 4 **under IC 4-33-1-1(3)** must:
- 5 (1) have the capacity to carry at least five hundred (500)
 6 passengers;
 7 (2) be at least one hundred fifty (150) feet in length; and
 8 (3) meet safety standards required by the commission.
- 9 (c) This subsection applies only to a riverboat that operates on the
 10 Ohio River. A riverboat must replicate, as nearly as possible, historic
 11 Indiana steamboat passenger vessels of the nineteenth century.
 12 However, steam propulsion or overnight lodging facilities are not
 13 required under this subsection.
- 14 (d) **A riverboat may become a permanently moored vessel if,**
 15 **upon application to the commission, the commission determines**
 16 **that it is in the best interests of the state and not detrimental to the**
 17 **riverboat gaming industry. A permanently moored vessel is not**
 18 **required to have a valid certificate of inspection from the United**
 19 **States Coast Guard but must comply with all terms and conditions**
 20 **required by the commission for the safety of the passengers and**
 21 **crew.**
- 22 SECTION 56. IC 4-33-6-8 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. If the
 24 commission determines that a person is eligible under this chapter for
 25 an owner's license, the commission may issue an owner's license to the
 26 person if:
- 27 (1) the person pays an initial license fee of twenty-five thousand
 28 dollars (\$25,000); and
 29 (2) the person posts a bond as required in section 9 of this
 30 chapter.
- 31 **However, the historic district described in IC 4-33-1-1(3) or a**
 32 **member of the district's historic preservation commission is not**
 33 **required to pay the fee charged under this section.**
- 34 SECTION 57. IC 4-33-6-9 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) **Except as**
 36 **provided in subsection (1),** a licensed owner must post a bond with the
 37 commission at least sixty (60) days before the commencement of
 38 ~~regular gambling on the riverboat. excursions.~~
- 39 (b) The bond shall be furnished in:
- 40 (1) cash or negotiable securities;
 41 (2) a surety bond:
 42 (A) with a surety company approved by the commission; and
 43 (B) guaranteed by a satisfactory guarantor; or
 44 (3) an irrevocable letter of credit issued by a banking institution
 45 of Indiana acceptable to the commission.
- 46 (c) If a bond is furnished in cash or negotiable securities, the
 47 principal shall be placed without restriction at the disposal of the

- 1 commission, but income inures to the benefit of the licensee.
- 2 (d) The bond:
- 3 (1) is subject to the approval of the commission;
- 4 (2) must be in an amount that the commission determines will
- 5 adequately reflect the amount that a local community will expend
- 6 for infrastructure and other facilities associated with a riverboat
- 7 operation; and
- 8 (3) must be payable to the commission as obligee for use in
- 9 payment of the licensed owner's financial obligations to the local
- 10 community, the state, and other aggrieved parties, as determined
- 11 by the rules of the commission.
- 12 (e) If after a hearing (after at least five (5) days written notice) the
- 13 commission determines that the amount of a licensed owner's bond is
- 14 insufficient, the licensed owner shall upon written demand of the
- 15 commission file a new bond.
- 16 (f) The commission may require a licensed owner to file a new bond
- 17 with a satisfactory surety in the same form and amount if:
- 18 (1) liability on the old bond is discharged or reduced by judgment
- 19 rendered, payment made, or otherwise; or
- 20 (2) in the opinion of the commission any surety on the old bond
- 21 becomes unsatisfactory.
- 22 (g) If a new bond obtained under subsection (e) or (f) is
- 23 unsatisfactory, the commission shall cancel the owner's license. If the
- 24 new bond is satisfactorily furnished, the commission shall release in
- 25 writing the surety on the old bond from any liability accruing after the
- 26 effective date of the new bond.
- 27 (h) A bond is released on the condition that the licensed owner
- 28 remains at the site for which the owner's license is granted for the
- 29 lesser of:
- 30 (1) five (5) years; or
- 31 (2) the date the commission grants a license to another licensed
- 32 owner to operate from the site for which the bond was posted.
- 33 (i) A licensed owner who does not meet the requirements of
- 34 subsection (h) forfeits a bond filed under this section. The proceeds of
- 35 a bond that is in default under this subsection are paid to the
- 36 commission for the benefit of the local unit from which the riverboat
- 37 operated.
- 38 (j) The total and aggregate liability of the surety on a bond is limited
- 39 to the amount specified in the bond and the continuous nature of the
- 40 bond may in no event be construed as allowing the liability of the
- 41 surety under a bond to accumulate for each successive approval period
- 42 during which the bond is in force.
- 43 (k) A bond filed under this section is released sixty (60) days after:
- 44 (1) the time has run under subsection (h); and
- 45 (2) a written request is submitted by the licensed owner.
- 46 **(l) The historic district described in IC 4-33-1-1(3) or a member**
- 47 **of the district's historic preservation commission is not required to**

1 **post the bond required under this section.**

2 SECTION 58. IC 4-33-6-10 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) An owner's
4 license issued under this chapter permits the holder to own and operate
5 one (1) riverboat and equipment for each license.

6 (b) **An owner's license issued under this chapter permits the
7 holder to:**

8 (1) **conduct gambling games authorized under this article
9 while the riverboat is cruising or docked;**

10 (2) **allow the continuous ingress and egress of passengers for
11 purposes of gambling; and**

12 (3) **conduct gambling games authorized under this article on
13 a permanently moored vessel upon the approval of the
14 commission under section 6 of this chapter.**

15 (c) An owner's license issued under this chapter must specify the
16 place where the riverboat must operate and dock. However, the
17 commission may permit the riverboat to dock at a temporary dock in
18 the applicable city for a specific period of time not to exceed one (1)
19 year after the owner's license is issued.

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

22 SECTION 59. IC 4-33-6-11 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. The
24 commission may revoke an owner's license if:

25 (1) the licensee begins regular ~~riverboat excursions~~ **operations**
26 more than twelve (12) months after receiving the commission's
27 approval of the application for the license; and

28 (2) the commission determines that the revocation of the license
29 is in the best interests of Indiana.

30 SECTION 60. IC 4-33-6-12 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Unless the
32 owner's license is terminated, expires, or is revoked, the owner's license
33 may be renewed annually upon:

34 (1) the payment of a five thousand dollar (\$5,000) annual renewal
35 fee; and

36 (2) a determination by the commission that the licensee satisfies
37 the conditions of this article.

38 **However, the historic district described in IC 4-33-1-1(3) or a
39 member of the district's historic preservation commission is not
40 required to pay the fee charged under this section.**

41 (b) A licensed owner shall undergo a complete investigation every
42 three (3) years to determine that the licensed owner remains in
43 compliance with this article.

44 (c) Notwithstanding subsection (b), the commission may investigate
45 a licensed owner at any time the commission determines it is necessary
46 to ensure that the licensee remains in compliance with this article.

47 (d) The licensed owner shall bear the cost of an investigation or

1 reinvestigation of the licensed owner and any investigation resulting
2 from a potential transfer of ownership.

3 **(e) The commission shall recoup all of the costs associated with**
4 **investigating or reinvestigating a member of a historic**
5 **preservation commission described in subsection (a) by imposing**
6 **a special investigation fee upon the historic preservation**
7 **commission's licensed operating agent.**

8 SECTION 61. IC 4-33-6-19 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) This section
10 applies to:

11 (1) a county contiguous to the Ohio River;

12 ~~(2) a county contiguous to Patoka Lake;~~ and

13 ~~(3)~~ (2) a county contiguous to Lake Michigan that has a
14 population of less than four hundred thousand (400,000).

15 (b) Notwithstanding any other provision of this article, the
16 commission may not issue a license under this article to allow a
17 riverboat to operate in the county unless the voters of the county have
18 approved the conducting of gambling games on riverboats in the
19 county.

20 (c) If the docking of a riverboat in the county is approved by an
21 ordinance adopted under section 18 of this chapter, or if at least the
22 number of the registered voters of the county required under IC 3-8-6-3
23 for a petition to place a candidate on the ballot sign a petition submitted
24 to the circuit court clerk requesting that a local public question
25 concerning riverboat gaming be placed on the ballot, the county
26 election board shall place the following question on the ballot in the
27 county during the next general election:

28 "Shall licenses be issued to permit riverboat gambling in ____
29 County?".

30 (d) A public question under this section shall be placed on the ballot
31 in accordance with IC 3-10-9 and must be certified in accordance with
32 IC 3-10-9-3.

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

36 (f) If a public question under this section is placed on the ballot in
37 a county and the voters of the county do not vote in favor of permitting
38 riverboat gambling under this article, a second public question under
39 this section may not be held in that county for at least two (2) years. If
40 the voters of the county vote to reject riverboat gambling a second time,
41 a third or subsequent public question under this section may not be
42 held in that county until the general election held during the tenth year
43 following the year that the previous public question was placed on the
44 ballot.

45 SECTION 62. IC 4-33-6-19.5 IS ADDED TO THE INDIANA
46 CODE AS A NEW SECTION TO READ AS FOLLOWS
47 [EFFECTIVE UPON PASSAGE]: **Sec. 19.5. (a) This section applies**

1 to a county having a population of more than nineteen thousand
2 three hundred (19,300) but less than twenty thousand (20,000).

3 (b) The commission may issue only one (1) license under this
4 article to allow a riverboat to operate in the county within a
5 historic district established under IC 36-7-11.

6 (c) The commission may not issue a license under this article to
7 allow a riverboat to operate in the county unless the voters of:

8 (1) a town having a population of more than one thousand five
9 hundred (1,500) but less than two thousand two hundred
10 (2,200) located in the county; and

11 (2) a town having a population of less than one thousand five
12 hundred (1,500) located in the county;

13 have approved gambling on riverboats in the county.

14 (d) If at least the number of registered voters of the town
15 required under IC 3-8-6-3 for a petition to place a candidate on the
16 ballot sign a petition submitted to the clerk of the circuit court
17 requesting that a local public question concerning riverboat
18 gambling be placed on the ballot, the county election board shall
19 place the following question on the ballot in the town described in
20 subsection (c) during the next primary or general election or a
21 special election held under this section:

22 "Shall a license be issued to allow riverboat gambling in the
23 town of _____?"

24 (e) A public question under this section shall be placed on the
25 ballot in accordance with IC 3-10-9.

26 (f) If a public question is placed on the ballot under this section
27 and the voters of the town do not vote in favor of allowing
28 riverboat gambling under IC 4-33, another public question
29 regarding riverboat gambling may not be held in the town for at
30 least two (2) years.

31 (g) In a special election held under this section:

32 (1) IC 3 applies, except as otherwise provided in this section;
33 and

34 (2) at least as many precinct polling places as were used in the
35 towns described in subsection (c) during the most recent
36 municipal election must be used for the special election.

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

40 SECTION 63. IC 4-33-6.5 IS ADDED TO THE INDIANA CODE
41 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
42 UPON PASSAGE]:

43 **Chapter 6.5. Riverboat Operating Agent's License**

44 **Sec. 1.** This chapter applies only to a riverboat operated under
45 a license described in IC 4-33-6-1(a)(6).

46 **Sec. 2.** (a) A person applying for an operating agent's license
47 under this chapter must pay a nonrefundable application fee to the
48 commission. The commission shall determine the amount of the

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- application fee.
- (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 license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the license.
- (d) The costs of investigating an applicant for a license under this chapter shall be paid from the application fee paid by the applicant.
- (e) An applicant for a 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. 3. The commission may not issue an operating agent's license under this chapter to a person if:**
 - (1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;
 - (2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;
 - (3) the person is a member of the commission;
 - (4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);
 - (5) the person employs an individual who:
 - (A) is described in subdivision (1), (2), or (3); and
 - (B) participates in the management or operation of gambling operations authorized under this article;
 - (6) the person owns an ownership interest of more than the total amount of ownership interests permitted under IC 4-33-6-3.5; or
 - (7) a license issued to the person:
 - (A) under this article; or
 - (B) to own or operate gambling facilities in another jurisdiction;
- has been revoked.**
- Sec. 4. In determining whether to grant an operating agent's license to an applicant, the commission shall consider the following:**
 - (1) The character, reputation, experience, and financial integrity of the following:
 - (A) The applicant.
 - (B) A person that:
 - (i) directly or indirectly controls the applicant; or

- 1 (ii) is directly or indirectly controlled by the applicant or
 2 by a person that directly or indirectly controls the
 3 applicant.
- 4 (2) The facilities or proposed facilities for the conduct of
 5 riverboat gambling in a historic district described in
 6 IC 4-33-1-1(3).
- 7 (3) The highest prospective total revenue to be collected by the
 8 state from the conduct of riverboat gambling.
- 9 (4) The good faith affirmative action plan of each applicant to
 10 recruit, train, and upgrade minorities in all employment
 11 classifications.
- 12 (5) The financial ability of the applicant to purchase and
 13 maintain adequate liability and casualty insurance.
- 14 (6) If the applicant has adequate capitalization to operate a
 15 riverboat for the duration of the license.
- 16 (7) The extent to which the applicant exceeds or meets other
 17 standards adopted by the commission.
- 18 **Sec. 5. If the commission determines that a person is eligible**
 19 **under this chapter for an operating agent's license, the commission**
 20 **may issue an operating agent's license to the person if:**
- 21 (1) the person pays an initial license fee of twenty-five
 22 thousand dollars (\$25,000); and
- 23 (2) the person posts a bond as required in section 6 of this
 24 chapter.
- 25 **Sec. 6. (a) A licensed operating agent must post a bond with the**
 26 **commission at least sixty (60) days before the commencement of**
 27 **regular riverboat operations in the historic district described in**
 28 **IC 4-33-1-1(3).**
- 29 (b) The bond shall be furnished in:
- 30 (1) cash or negotiable securities;
- 31 (2) a surety bond:
- 32 (A) with a surety company approved by the commission;
- 33 and
- 34 (B) guaranteed by a satisfactory guarantor; or
- 35 (3) an irrevocable letter of credit issued by a banking
 36 institution of Indiana acceptable to the commission.
- 37 (c) If a bond is furnished in cash or negotiable securities, the
 38 principal shall be placed without restriction at the disposal of the
 39 commission, but income inures to the benefit of the licensee.
- 40 (d) The bond:
- 41 (1) is subject to the approval of the commission; and
- 42 (2) must be payable to the commission as obligee for use in
 43 payment of the riverboat's financial obligations to the local
 44 community, the state, and other aggrieved parties, as
 45 determined by the rules of the commission.
- 46 (e) If after a hearing (after at least five (5) days written notice)
 47 the commission determines that the amount of a licensed operating
 48 agent's bond is insufficient, the operating agent shall, upon written

- 1 demand of the commission, file a new bond.
- 2 (f) The commission may require a licensed operating agent to
3 file a new bond with a satisfactory surety in the same form and
4 amount if:
- 5 (1) liability on the old bond is discharged or reduced by
6 judgment rendered, payment made, or otherwise; or
7 (2) in the opinion of the commission any surety on the old
8 bond becomes unsatisfactory.
- 9 (g) If a new bond obtained under subsection (e) or (f) is
10 unsatisfactory, the commission shall cancel the operating agent's
11 license. If the new bond is satisfactorily furnished, the commission
12 shall release in writing the surety on the old bond from any liability
13 accruing after the effective date of the new bond.
- 14 (h) A bond is released on the condition that the licensed
15 operating agent remains at the site of the riverboat operating
16 within a historic district:
- 17 (1) for five (5) years; or
18 (2) until the date the commission grants a license to another
19 operating agent to operate from the site for which the bond
20 was posted;
- 21 whichever occurs first.
- 22 (i) An operating agent who does not meet the requirements of
23 subsection (h) forfeits a bond filed under this section. The proceeds
24 of a bond that is in default under this subsection are paid to the
25 commission for the benefit of the local unit from which the
26 riverboat operated.
- 27 (j) The total liability of the surety on a bond is limited to the
28 amount specified in the bond, and the continuous nature of the
29 bond may not be construed as allowing the liability of the surety
30 under a bond to accumulate for each successive approval period
31 during which the bond is in force.
- 32 (k) A bond filed under this section is released sixty (60) days
33 after:
- 34 (1) the time specified under subsection (h); and
35 (2) a written request is submitted by the operating agent.
- 36 Sec. 7. (a) Unless the operating agent's license is terminated,
37 expires, or is revoked, the operating agent's license may be
38 renewed annually upon:
- 39 (1) the payment of a five thousand dollar (\$5,000) annual
40 renewal fee; and
41 (2) a determination by the commission that the licensee
42 satisfies the conditions of this article.
- 43 (b) An operating agent shall undergo a complete investigation
44 every three (3) years to determine that the operating agent remains
45 in compliance with this article.
- 46 (c) Notwithstanding subsection (b), the commission may
47 investigate an operating agent at any time the commission
48 determines it is necessary to ensure that the licensee remains in

1 compliance with this article.

2 (d) The operating agent shall bear the cost of an investigation or
3 reinvestigation of the operating agent.

4 **Sec. 8. A license issued under this chapter permits the holder to**
5 **operate a riverboat on behalf of the licensed owner of the**
6 **riverboat.**

7 **Sec. 9. An operating agent licensed under this chapter is**
8 **charged with all the duties imposed upon a licensed owner under**
9 **this article, including the collection and remission of taxes under**
10 **IC 4-33-13.**

11 SECTION 64. IC 4-33-7-3 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A person may
13 not receive a supplier's license if:

- 14 (1) the person has been convicted of a felony under Indiana law,
15 the laws of any other state, or laws of the United States;
16 (2) the person has knowingly or intentionally submitted an
17 application for a license under this chapter that contains false
18 information;
19 (3) the person is a member of the commission;
20 (4) the person is an officer, a director, or a managerial employee
21 of a person described in subdivision (1) or (2);
22 (5) the person employs an individual who:
23 (A) is described in subdivision (1), (2), or (3); and
24 (B) participates in the management or operation of gambling
25 operations authorized under this article;
26 (6) the person owns more than a ten percent (10%) ownership
27 interest in any other person holding an owner's license issued
28 under this ~~chapter~~; **article**; or
29 (7) a license issued to the person:
30 (A) under this article; or
31 (B) to supply gaming supplies in another jurisdiction;
32 has been revoked.

33 SECTION 65. IC 4-33-7.5 IS ADDED TO THE INDIANA CODE
34 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2002]:

36 **Chapter 7.5. Pari-Mutuel Pull Tab Suppliers**

37 **Sec. 1. The commission may issue a supplier's license under this**
38 **chapter to a person if:**

- 39 (1) the person has:
40 (A) applied for the supplier's license;
41 (B) paid a nonrefundable application fee set by the
42 commission;
43 (C) paid a five thousand dollar (\$5,000) annual license fee;
44 and
45 (D) submitted on forms provided by the commission:
46 (i) if the applicant is an individual, two (2) sets of the
47 individual's fingerprints; and

1 (ii) if the applicant is not an individual, two (2) sets of
 2 fingerprints for each officer and director of the
 3 applicant; and

4 (2) the commission has determined that the applicant is
 5 eligible for a supplier's license.

6 Sec. 2. (a) A person holding a supplier's license may sell, lease,
 7 and contract to sell or lease pari-mutuel pull tab terminals and
 8 devices to a permit holder authorized to sell and redeem
 9 pari-mutuel pull tab tickets under IC 4-31-7.5.

10 (b) Pari-mutuel pull tab terminals and devices may not be
 11 distributed unless the terminals and devices conform to standards
 12 adopted by the commission.

13 Sec. 3. A person may not receive a supplier's license if:

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

16 (2) the person has knowingly or intentionally submitted an
 17 application for a license under this chapter that contains false
 18 information;

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

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

22 (5) the person employs an individual who:

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

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

26 (6) the person owns more than a ten percent (10%) ownership
 27 interest in any other person holding a permit issued under
 28 IC 4-31; or

29 (7) a license issued to the person:

30 (A) under this article; or

31 (B) to supply gaming supplies in another jurisdiction;
 32 has been revoked.

33 Sec. 4. A person may not furnish pari-mutuel pull tab terminals
 34 or devices to a permit holder unless the person possesses a
 35 supplier's license.

36 Sec. 5. (a) A supplier shall furnish to the commission a list of all
 37 pari-mutuel pull tab terminals and devices offered for sale or lease
 38 in connection with the sale of pari-mutuel pull tab tickets
 39 authorized under IC 4-31-7.5.

40 (b) A supplier shall keep books and records for the furnishing
 41 of pari-mutuel pull tab terminals and devices to permit holders
 42 separate from books and records of any other business operated by
 43 the supplier.

44 (c) A supplier shall file a quarterly return with the commission
 45 listing all sales and leases.

46 (d) A supplier shall permanently affix the supplier's name to all
 47 of the supplier's pari-mutuel pull tab terminals or devices provided
 48 to permit holders under this chapter.

1 **Sec. 6. A supplier's pari-mutuel pull tab terminals or devices**
 2 **that are used by a person in an unauthorized gambling operation**
 3 **shall be forfeited to the state.**

4 **Sec. 7. Pari-mutuel pull tab terminals and devices that are**
 5 **provided by a supplier may be:**

- 6 (1) **repaired on the premises of a racetrack or satellite facility;**
 7 **or**
 8 (2) **removed for repair from the premises of a permit holder**
 9 **to a facility owned by the permit holder.**

10 **Sec. 8. (a) Unless a supplier's license is suspended, expires, or is**
 11 **revoked, the supplier's license may be renewed annually upon:**

- 12 (1) **the payment of a five thousand dollar (\$5,000) annual**
 13 **renewal fee; and**
 14 (2) **a determination by the commission that the licensee is in**
 15 **compliance with this article.**

16 **(b) The holder of a supplier's license shall undergo a complete**
 17 **investigation every three (3) years to determine that the licensee is**
 18 **in compliance with this article.**

19 **(c) Notwithstanding subsection (b), the commission may**
 20 **investigate the holder of a supplier's license at any time the**
 21 **commission determines it is necessary to ensure that the licensee is**
 22 **in compliance with this article.**

23 **(d) The holder of a supplier's license shall bear the cost of an**
 24 **investigation or reinvestigation of the licensee and any**
 25 **investigation resulting from a potential transfer of ownership.**

26 **SECTION 66. IC 4-33-8-5 IS AMENDED TO READ AS**
 27 **FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) An application**
 28 **for an occupational license must:**

- 29 (1) **be made on forms prescribed by the commission; and**
 30 (2) **contain all information required by the commission.**

31 **(b) An applicant for an occupational license must provide the**
 32 **following information in the application:**

- 33 (1) **If the applicant has held other licenses relating to gambling.**
 34 (2) **If the applicant has been licensed in any other state under any**
 35 **other name. The applicant must provide under this subdivision the**
 36 **name under which the applicant was licensed in the other state.**
 37 (3) **The applicant's age.**
 38 (4) **If a permit or license issued to the applicant in another state**
 39 **has been suspended, restricted, or revoked. The applicant must**
 40 **describe the date and length of a suspension, restriction, or**
 41 **revocation described in this subdivision.**

42 **(c) The information contained in an application for an**
 43 **occupational license is confidential except for the following:**

- 44 (1) **The first and last name of the applicant.**
 45 (2) **The age of the applicant.**
 46 (3) **The city and state of the applicant's residence.**
 47 (4) **The occupational license number.**
 48 (5) **The applicant's business address.**

- 1 **(6) The applicant's business telephone number.**
 2 **(7) The level of license for which the applicant has applied.**
 3 **(8) The employment position for which the applicant has**
 4 **applied.**

5 SECTION 67. IC 4-33-8-11 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. (a) An individual
 7 who is disqualified under section 3(2) of this chapter due to a
 8 conviction for a felony may apply to the commission for a waiver of the
 9 requirements of section 3(2) of this chapter.

10 (b) The commission may waive **during a public meeting** the
 11 requirements of section 3(2) of this chapter with respect to an
 12 individual applying for an occupational license if:

- 13 (1) the individual qualifies for a waiver under subsection (e) or
 14 (f); and
 15 (2) the commission determines that the individual has
 16 demonstrated by clear and convincing evidence the individual's
 17 rehabilitation.

18 (c) In determining whether the individual applying for the
 19 occupational license has demonstrated rehabilitation under subsection
 20 (b), the commission shall consider the following factors:

- 21 (1) The nature and duties of the position applied for by the
 22 individual.
 23 (2) The nature and seriousness of the offense or conduct.
 24 (3) The circumstances under which the offense or conduct
 25 occurred.
 26 (4) The date of the offense or conduct.
 27 (5) The age of the individual when the offense or conduct was
 28 committed.
 29 (6) Whether the offense or conduct was an isolated or a repeated
 30 incident.
 31 (7) A social condition that may have contributed to the offense or
 32 conduct.
 33 (8) Evidence of rehabilitation, including good conduct in prison
 34 or in the community, counseling or psychiatric treatment received,
 35 acquisition of additional academic or vocational education,
 36 successful participation in a correctional work release program,
 37 or the recommendation of a person who has or has had the
 38 individual under the person's supervision.
 39 (9) The complete criminal record of the individual.
 40 (10) The prospective employer's written statement that:
 41 (A) the employer has been advised of all of the facts and
 42 circumstances of the individual's criminal record; and
 43 (B) after having considered the facts and circumstances, the
 44 prospective employer will hire the individual if the
 45 commission grants a waiver of the requirements of section
 46 3(2) of this chapter.

47 (d) The commission may not waive the requirements of section 3(2)

1 of this chapter for an individual who has been convicted of committing
2 any of the following:

3 (1) A felony in violation of federal law (as classified in 18 U.S.C.
4 3559).

5 (2) A felony of fraud, deceit, or misrepresentation under the laws
6 of Indiana or any other jurisdiction.

7 (3) A felony of conspiracy to commit a felony described in
8 subdivision (1), (2), or (4) under the laws of Indiana or any other
9 jurisdiction.

10 (4) A felony of gambling under IC 35-45-5 or IC 35-45-6 or a
11 crime in any other jurisdiction in which the elements of the crime
12 for which the conviction was entered are substantially similar to
13 the elements of a crime described in IC 35-45-5 or IC 35-45-6.

14 (e) The commission may waive the requirements of section 3(2) of
15 this chapter for an individual if:

16 (1) the individual has been convicted of committing:

17 (A) a felony described in IC 35-42 against another human
18 being or a felony described in IC 35-48-4;

19 (B) a felony under Indiana law that results in bodily injury,
20 serious bodily injury, or death to another human being; or

21 (C) a crime in any other jurisdiction in which the elements of
22 the crime for which the conviction was entered are
23 substantially similar to the elements of a felony described in
24 clause (A) or (B); and

25 (2) ten (10) years have elapsed from the date the individual was
26 discharged from probation, imprisonment, or parole, whichever
27 is later, for the conviction described in subdivision (1).

28 (f) The commission may waive the requirements of section 3(2) of
29 this chapter for an individual if:

30 (1) the individual has been convicted in Indiana or any other
31 jurisdiction of committing a felony not described in subsection (d)
32 or (e); and

33 (2) five (5) years have elapsed from the date the individual was
34 discharged from probation, imprisonment, or parole, whichever
35 is later, for the conviction described in subdivision (1).

36 (g) To enable a prospective employer to determine, for purposes of
37 subsection (c)(10), whether the prospective employer has been advised
38 of all of the facts and circumstances of the individual's criminal record,
39 the commission shall notify the prospective employer of all information
40 that the commission:

41 (1) has obtained concerning the individual; and

42 (2) is authorized to release under IC 5-14.

43 (h) The commission shall deny the individual's request to waive the
44 requirements of section 3(2) of this chapter if the individual fails to
45 disclose to both the commission and the prospective employer all
46 information relevant to this section.

47 SECTION 68. IC 4-33-9-3 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as
 2 provided in subsection (b), a riverboat ~~excursions~~ **cruise** may not
 3 exceed four (4) hours for a round trip.

4 (b) Subsection (a) does not apply to an extended cruise that is
 5 expressly approved by the commission.

6 SECTION 69. IC 4-33-9-14 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) This section
 8 applies only to a riverboat that operates from a county that is
 9 contiguous to the Ohio River.

10 (b) A ~~gambling excursion~~ **cruise** is permitted only when the
 11 navigable waterway for which the riverboat is licensed is navigable, as
 12 determined by the commission in consultation with the United States
 13 Army Corps of Engineers.

14 SECTION 70. IC 4-33-9-15 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) All tokens,
 16 chips, or electronic cards that are used to make wagers must be
 17 purchased from the owner of the riverboat:

18 (1) while on board the riverboat; or

19 (2) at an on-shore facility that:

20 (A) has been approved by the commission; and

21 (B) is located where the riverboat docks.

22 (b) The tokens, chips, or electronic cards may be purchased by
 23 means of an agreement under which the owner extends credit to the
 24 patron.

25 **(c) A licensed owner may not seek treble damages in an action**
 26 **to collect a gambling debt incurred under this section.**

27 SECTION 71. IC 4-33-10-1 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A person who
 29 knowingly or intentionally:

30 (1) makes a false statement on an application submitted under this
 31 article;

32 (2) operates a ~~gambling excursion~~ **riverboat** in which wagering
 33 is conducted or is to be conducted in a manner other than the
 34 manner required under this article;

35 (3) permits a person less than twenty-one (21) years of age to
 36 make a wager;

37 (4) wagers or accepts a wager at a location other than a riverboat;

38 **or**

39 (5) makes a false statement on an application submitted to the
 40 commission under this article **or under IC 4-31-7.5;**

41 **(6) aids, induces, or causes a person less than twenty-one (21)**
 42 **years of age who is not an employee of the riverboat gambling**
 43 **operation to enter or attempt to enter a riverboat; or**

44 **(7) aids, induces, or causes a person less than twenty-one (21)**
 45 **years of age who is not an employee of a pari-mutuel pull tab**
 46 **operation licensed under IC 4-31-7.5 to enter or attempt to**
 47 **enter the pari-mutuel pull tab operation;**

1 commits a Class A misdemeanor.

2 **(b) A person who:**

3 **(1) is not an employee of the riverboat operation;**

4 **(2) is less than twenty-one (21) years of age; and**

5 **(3) knowingly or intentionally enters or attempts to enter a**
6 **riverboat;**

7 **commits a Class A misdemeanor.**

8 **(c) A person who:**

9 **(1) is not an employee of a pari-mutuel pull tab operation**
10 **licensed under IC 4-31;**

11 **(2) is less than twenty-one (21) years of age; and**

12 **(3) knowingly or intentionally enters or attempts to enter the**
13 **pari-mutuel pull tab operation;**

14 **commits a Class A misdemeanor.**

15 SECTION 72. IC 4-33-10-5 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. An action to
17 prosecute a crime occurring during a gambling ~~excursion on a~~
18 **riverboat** shall be tried in the county of the dock where the riverboat
19 is ~~based:~~ **located.**

20 SECTION 73. IC 4-33-13-1 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A tax is imposed
22 on the adjusted gross receipts received from gambling games
23 authorized under this article at the rate of:

24 ~~twenty percent (20%)~~ **(1) twenty-eight percent (28%)** of the
25 ~~amount first one hundred million dollars (\$100,000,000)~~ of the
26 adjusted gross receipts **received during the period beginning**
27 **July 1 of each year and ending June 30 of the following year;**
28 **and**

29 **(2) thirty-one percent (31%) of the adjusted gross receipts**
30 **exceeding one hundred million dollars (\$100,000,000) that are**
31 **received during the period beginning July 1 of each year and**
32 **ending June 30 of the following year.**

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

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

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

42 (e) ~~The department may allow~~ Taxes remitted under this section to
43 **must** be reported on ~~the same a form used for taxes paid under~~
44 **IC 4-33-12 prescribed by the department.**

45 SECTION 74. IC 4-33-13-4, AS AMENDED BY P.L.273-1999,
46 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
47 JULY 1, 2002]: Sec. 4. Sufficient funds are annually appropriated to

1 the commission from the state gaming fund to administer this article.
 2 **Funds in the fund are available, with the approval of the budget**
 3 **agency, to augment and supplement the funds appropriated to the**
 4 **commission for the purpose of administering pari-mutuel pull tabs**
 5 **under IC 4-31-7.5.**

6 SECTION 75. IC 4-33-13-5, AS AMENDED BY P.L.186-2002,
 7 SECTION 11, AND AS AMENDED BY P.L.178-2002, SECTION 3,
 8 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE JULY 1, 2002]: Sec. 5. **(a) This subsection does not**
 10 **apply to a riverboat located in a historic district described in**
 11 **IC 4-33-1-1(3).** After funds are appropriated under section 4 of this
 12 chapter, each ~~month~~ **year** the treasurer of state shall distribute the tax
 13 revenue deposited in the state gaming fund under this chapter to the
 14 following:

15 (1) Twenty-five percent (25%) of the tax revenue remitted by
 16 each licensed owner shall be paid **as follows:**

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

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

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

24 ~~(B) in equal shares to the counties described in IC 4-33-1-1(3);~~
 25 ~~in the case of a riverboat whose home dock is on Patoka Lake;~~
 26 ~~or~~

27 ~~(C) (A) Twenty-five percent (25%) to the county that is~~
 28 ~~designated as the home dock of in which the riverboat from~~
 29 ~~which the tax revenue was collected in the case of a riverboat~~
 30 ~~whose home dock is not in a city described in clause (A) or a~~
 31 ~~county described in clause (B); and is located.~~

32 **(B) Two and five-tenths percent (2.5%) to the county**
 33 **convention and visitors bureau of the county in which the**
 34 **riverboat from which the tax revenue was collected is**
 35 **located.**

36 **(C) The remainder to the city that is designated as the**
 37 **home dock of the riverboat from which the tax revenue**
 38 **was collected in the case of a riverboat docked in a city**
 39 **that:**

40 **(i) is described in IC 4-33-6-1(a)(1) through**
 41 **IC 4-33-6-1(a)(4) or IC 4-33-6-1(b); or**

42 **(ii) is contiguous to the Ohio River and is the largest city**
 43 **in the county.**

44 **If the riverboat is not docked in a city described in item (i)**
 45 **or (ii), the amount paid under this clause must be paid to**
 46 **the county in which the riverboat from which the tax**
 47 **revenue was collected is located.**

1 **The treasurer of state shall distribute the amounts that are**
 2 **required to be paid under this subdivision to the counties,**
 3 **cities, and convention and visitors bureaus on a monthly basis.**

4 (2) Seventy-five percent (75%) of the tax revenue remitted by
 5 each licensed owner shall be paid as follows:

6 **(A) Twenty-six million dollars (\$26,000,000) minus the**
 7 **amount, if any, paid to the Indiana horse racing**
 8 **commission under IC 4-31-7.6-4 shall be paid to the**
 9 **Indiana horse racing commission to be distributed as**
 10 **follows, in amounts determined by the Indiana horse**
 11 **racing commission, for the promotion and operation of**
 12 **horse racing in Indiana:**

13 **(i) To one (1) or more breed development funds**
 14 **established by the Indiana horse racing commission**
 15 **under IC 4-31-11-10.**

16 **(ii) To each racetrack that has been approved by the**
 17 **Indiana horse racing commission under IC 4-31. The**
 18 **Indiana horse racing commission may make a grant**
 19 **under this clause only for purses, promotions, and**
 20 **routine operations of a racetrack. No grants shall be**
 21 **made for long term capital investment or construction.**

22 **(iii) To county fairs, 4-H fairs, a fair located in a town**
 23 **having a population of more than one thousand one**
 24 **hundred (1,100) located in a county having a population**
 25 **of more than thirty-six thousand seventy-five (36,075)**
 26 **but less than thirty-seven thousand (37,000), and a**
 27 **trotting association located in a county having a**
 28 **population of more than twenty-one thousand eight**
 29 **hundred (21,800) but less than twenty-two thousand one**
 30 **hundred (22,100). Distributions made under this item**
 31 **shall be used for the maintenance and operation of horse**
 32 **racing facilities.**

33 **Before August 1 of each year, the treasurer of state shall**
 34 **set aside the amount of the money subtracted from the**
 35 **amount paid to the Indiana horse racing commission under**
 36 **this clause in the preceding state fiscal year to make the**
 37 **revenue sharing distributions required under subsection**
 38 **(f).**

39 **(B) Four million dollars (\$4,000,000) to the division of**
 40 **mental health and addiction.**

41 **(C) Six million dollars (\$6,000,000) to the state fair**
 42 **commission for use in any activity that the commission is**
 43 **authorized to carry out under IC 15-1.5-3.**

44 **(D) One million five hundred thousand dollars (\$1,500,000)**
 45 **to the center for agricultural science and heritage**
 46 **established by IC 15-1.5-10.5-3.**

47 **(E) One million dollars (\$1,000,000) to the school for the**
 48 **blind.**

1 (F) One million dollars (\$1,000,000) to the school for the
2 deaf.

3 (G) The following amounts to the shoreline environmental
4 trust fund established by IC 36-7-13.5-19:

5 (i) Three million five hundred thousand dollars
6 (\$3,500,000) in state fiscal year 2004.

7 (ii) Seven million dollars (\$7,000,000) in state fiscal year
8 2005 and each state fiscal year thereafter.

9 (H) The remainder to the state general fund.

10 The treasurer of state shall proportionately distribute the
11 amounts that are required to be paid in each state fiscal year
12 under clauses (A) through (H) in twelve (12) equal
13 installments based on an estimate of total projected revenues
14 for the state fiscal year certified by the budget agency or, if
15 the budget agency modifies its estimate, the recertified
16 estimate of projected revenues for the state fiscal year. In
17 December of each state fiscal year, the treasurer of state shall
18 transfer from money deposited under clause (H) to each of the
19 specified purposes under clauses (A) through (G) the
20 remainder of any amount necessary to provide fifty percent
21 (50%) of the funding specified in clauses (A) through (G) for
22 each of the specified purposes after deducting the sum of the
23 amounts remitted on a monthly basis to that purpose in the
24 state fiscal year. In June of each state fiscal year, the
25 treasurer of state shall transfer from money deposited under
26 clause (H) to each of the specified purposes under clauses (A)
27 through (G) the remainder of any amount necessary to
28 provide one hundred percent (100%) of the funding specified
29 in clauses (A) through (G) for each of the specified purposes
30 after deducting the sum of the amounts remitted on a monthly
31 basis to that purpose in the state fiscal year. However, if
32 insufficient money is deposited under clause (H) to comply
33 with this subsection, the treasurer of state shall proportionally
34 reduce the amount transferred to each purpose in clauses (A)
35 through (G).

36 (b) Each state fiscal year the treasurer of state shall transfer
37 from the tax revenue remitted to the state general fund under
38 subsection (a)(2)(H) to the build Indiana fund *lottery and gaming*
39 *surplus account*: an amount not to exceed two hundred fifty million
40 dollars (\$250,000,000). The amount transferred under this
41 subsection shall be paid in two (2) equal installments not to exceed
42 one hundred twenty-five million dollars (\$125,000,000) each on the
43 last day of December and the last day of June each state fiscal year
44 and shall be reduced by the following amounts deposited in the
45 build Indiana fund during the same state fiscal year:

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

47 (2) Surplus revenue from the charity gaming enforcement
48 fund under IC 4-32-10-6.

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

3 **The treasurer of state shall distribute the amounts required to be**
 4 **paid under this subsection based on an estimate of total amount to**
 5 **be transferred to the state general fund under subsection (a)(2)(H)**
 6 **for the state fiscal year certified by the budget agency or, if the**
 7 **budget agency modifies its estimate, the recertified estimate of the**
 8 **amount to be transferred to the state general fund under**
 9 **subsection (a)(2)(H). If in any state fiscal year insufficient money**
 10 **is transferred to the state general fund under subsection (a)(2)(H)**
 11 **to comply with this subsection, the treasurer of state shall reduce**
 12 **the amount transferred to the build Indiana fund to the amount**
 13 **available in the state general fund from the transfers under**
 14 **subsection (a)(2)(H) for the state fiscal year. Projects for which**
 15 **money was appropriated from the build Indiana fund under**
 16 **P.L.291-2001, SECTION 38, must be funded, upon review of the**
 17 **budget committee, from the money transferred under this**
 18 **subsection.**

19 **(c) This subsection applies only to a riverboat located in a**
 20 **historic district described in IC 4-33-1-1(3). After funds are**
 21 **appropriated under section 4 of this chapter, each year the**
 22 **treasurer of state shall distribute the tax revenue deposited in the**
 23 **state gaming fund under this chapter to the following:**

24 **(1) Twenty-four percent (24%) to the state general fund.**

25 **(2) Thirty-five percent (35%) to the historic district described**
 26 **in IC 4-33-1-1(3).**

27 **(3) Twenty-seven percent (27%) to be divided evenly among**
 28 **the counties contiguous to Patoka Lake.**

29 **(4) Five percent (5%) to a town described in**
 30 **IC 4-33-1-1(3)(C)(i).**

31 **(5) Five percent (5%) to a town described in**
 32 **IC 4-33-1-1(3)(C)(ii).**

33 **(6) Two percent (2%) to the tourism commission of a town**
 34 **described in IC 4-33-1-1(3)(C)(i).**

35 **(7) Two percent (2%) to the tourism commission of a town**
 36 **described in IC 4-33-1-1(3)(C)(ii).**

37 **The treasurer of state shall distribute the amounts that are**
 38 **required to be paid under this subsection on a monthly basis.**

39 **(d) If a permit holder sells pull tabs at a racetrack or satellite**
 40 **facility, the maximum amount that the Indiana horse racing**
 41 **commission may grant for routine operations at the permit**
 42 **holder's racetrack under subsection (a)(2)(A)(ii) is equal to:**

43 **(1) the total amount granted under this section in a calendar**
 44 **year to a racetrack operated by a permit holder under a**
 45 **recognized meeting permit first issued before January 1,**
 46 **2002; minus**

47 **(2) the total adjusted gross receipts reported by a permit**
 48 **holder under IC 4-31-7.6-3 for the twelve (12) months**

1 immediately preceding the date on which the grant is
2 distributed.

3 (e) Money received by the division of mental health and
4 addiction under subsection (a)(2)(B):

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

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

10 (3) shall be used by the division of mental health and addiction
11 for programs and facilities for the prevention and treatment
12 of addictions to drugs, alcohol, and compulsive gambling,
13 including the creation and maintenance of a toll free
14 telephone line to provide the public with information about
15 these addictions.

16 The division of mental health and addiction shall allocate at least
17 twenty-five percent (25%) of the money received under subdivision
18 (3) to the prevention and treatment of compulsive gambling.

19 (f) Before August 15, the treasurer of state shall distribute the
20 wagering taxes set aside for revenue sharing under subsection
21 (a)(2)(A) to the county treasurer of each county that does not have
22 a riverboat, a pari-mutuel horse racing track, or a pari-mutuel
23 horse racing satellite facility that offers pari-mutuel pull tabs
24 according to the ratio that the county's population bears to the
25 total population of the counties that do not have a riverboat, a
26 pari-mutuel horse racing track, or a pari-mutuel horse racing
27 satellite facility that offers pari-mutuel pull tabs. The county
28 treasurer shall distribute the money received by the county under
29 this subsection as follows:

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

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

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

38 (g) At least ten percent (10%) of the money retained by a county
39 under subsection (f)(3) must be used to promote tourism. If a
40 county has a convention, visitor, and tourism promotion fund, or
41 a similar fund, the county treasurer shall deposit the required
42 amount into the fund.

43 SECTION 76. IC 4-33-13-6 IS AMENDED TO READ AS
44 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) Money paid to a
45 unit of local government under this chapter:

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

1 (2) may not be used to reduce the unit's maximum or actual levy
2 under IC 6-1.1-18.5; and

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

6 (b) This chapter does not prohibit the city or county designated as
7 the home dock of the riverboat from entering into agreements with
8 other units of local government in Indiana or in other states to share the
9 city's or county's part of the tax revenue received under this chapter.

10 (c) **Money paid by the treasurer of state under section 5(b)(6)**
11 **and 5(b)(7) of this chapter must be used only for the tourism**
12 **promotion, advertising, and economic development activities of the**
13 **respective towns.**

14 SECTION 77. IC 4-33-13-7 IS ADDED TO THE INDIANA CODE
15 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**
16 **UPON PASSAGE]: Sec. 7. A licensed owner shall renegotiate an**
17 **economic development agreement entered into with a unit of**
18 **government if payments to the unit that are required under the**
19 **agreement are based on the admissions tax imposed under**
20 **IC 4-33-12 (before its repeal).**

21 SECTION 78. IC 4-33-14-1 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. The general
23 assembly declares that the opportunity for full minority and women's
24 business enterprise participation in the riverboat **industry and**
25 **pari-mutuel pull tab industries** is essential if social and economic
26 parity is to be obtained by minority and women business persons and
27 if the economies of the riverboat **cities and pari-mutuel pull tab**
28 **communities** are to be stimulated as contemplated by this article **and**
29 **IC 4-31-7.5. In complying with this chapter, a licensed owner or**
30 **permit holder should give priority to minority and women's**
31 **business enterprises in the following order:**

32 (1) **Local enterprises.**

33 (2) **Enterprises located in Indiana and the region surrounding**
34 **the licensee's riverboat or pull tab facility.**

35 (3) **Indiana enterprises.**

36 (4) **National enterprises.**

37 SECTION 79. IC 4-33-14-1.5 IS ADDED TO THE INDIANA
38 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
39 **[EFFECTIVE JULY 1, 2002]: Sec. 1.5. This chapter applies to:**

40 (1) **a licensed owner of a riverboat licensed under this article;**
41 **and**

42 (2) **a permit holder licensed to sell pari-mutuel pull tabs under**
43 **IC 4-31-7.5.**

44 SECTION 80. IC 4-33-14-5, AS AMENDED BY P.L.195-2001,
45 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
46 JULY 1, 2002]: Sec. 5. (a) As used in this section, "goods and services"
47 does not include the following:

- 1 (1) Utilities and taxes.
- 2 (2) Financing costs, mortgages, loans, or other debt.
- 3 (3) Medical insurance.
- 4 (4) Fees and payments to a parent or an affiliated company of the
- 5 person holding an owner's license **or a pari-mutuel pull tab**
- 6 **license**, other than fees and payments for goods and services
- 7 supplied by nonaffiliated persons through an affiliated company
- 8 for the use or benefit of the person holding the owner's license **or**
- 9 **a pari-mutuel pull tab license**.
- 10 (5) Rents paid for real property or payments constituting the price
- 11 of an interest in real property as a result of a real estate
- 12 transaction.

13 (b) Notwithstanding any law or rule to the contrary, the commission
 14 shall establish annual goals for a person issued an owner's license **or**
 15 **a pari-mutuel pull tab license:**

- 16 (1) for the use of minority and women's business enterprises; and
- 17 (2) derived from a statistical analysis of utilization study of
- 18 licensee contracts for goods and services that are required to be
- 19 updated every five (5) years.

20 A person holding an owner's license **or a pari-mutuel pull tab license**
 21 shall submit annually to the commission a report that includes the total
 22 dollar value of contracts awarded for goods or services and the
 23 percentage awarded to minority and women's business enterprises.

24 (c) A person holding an owner's license **or a pari-mutuel pull tab**
 25 **license** shall make a good faith effort to meet the requirements of this
 26 section and shall annually demonstrate to the commission that an effort
 27 was made to meet the requirements.

28 (d) A person holding an owner's license **or a pari-mutuel pull tab**
 29 **license** may fulfill not more than seventy percent (70%) of an
 30 obligation under this chapter by requiring a vendor to set aside a part
 31 of a contract for minority or women's business enterprises. Upon
 32 request, the licensee shall provide the commission with proof of the
 33 amount of the set aside.

34 SECTION 81. IC 4-33-14-6 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. If the commission
 36 determines that the provisions of this chapter relating to expenditures
 37 and assignments to minority and women's business enterprises have not
 38 been met by a licensee, the commission may suspend, limit, or revoke
 39 the owner's license ~~or fine~~ **or the permit holder's pari-mutuel pull**
 40 **tab license**, or impose **a civil penalty or** appropriate conditions on the
 41 licensee to ensure that the goals for expenditures and assignments to
 42 minority and women's business enterprises are met. However, if a
 43 determination is made that a person holding an owner's license **or a**
 44 **pari-mutuel pull tab license** has failed to demonstrate compliance
 45 with this chapter, the person has ninety (90) days from the date of the
 46 determination of noncompliance to comply.

47 SECTION 82. IC 4-33-14-7 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. The commission
 2 shall establish and administer a unified certification procedure for
 3 minority and women's business enterprises that do business with
 4 riverboat operations **and pari-mutuel pull tab operations** on contracts
 5 for goods and services or contracts for business.

6 SECTION 83. IC 4-33-14-8 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. The commission
 8 shall supply persons holding owner's licenses **or pari-mutuel pull tab**
 9 **licenses** with a list of the minority and women's business enterprises
 10 the commission has certified under section 7 of this chapter. The
 11 commission shall review the list annually to determine the minority and
 12 women's business enterprises that should continue to be certified. The
 13 commission shall establish a procedure for challenging the designation
 14 of a certified minority and women's business enterprise. The procedure
 15 must include proper notice and a hearing for all parties concerned.

16 SECTION 84. IC 4-33-14-9 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) This section
 18 applies to **the following:**

19 (1) A person holding an owner's licenses for riverboats operated
 20 from a city described under IC 4-33-6-1(a)(1) through
 21 IC 4-33-6-1(a)(3).

22 (2) **A person holding a license to sell pari-mutuel pull tabs**
 23 **under IC 4-31-7.5.**

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

27 (c) **The commission shall require a person holding a pari-mutuel**
 28 **pull tab license to adopt policies concerning the preferential hiring**
 29 **of residents of the city or county in which the person has a**
 30 **pari-mutuel pull tab operation.**

31 SECTION 85. IC 4-33-14-11 IS ADDED TO THE INDIANA
 32 CODE AS A NEW SECTION TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2002]: **Sec. 11. The commission shall deposit**
 34 **civil penalties imposed under section 6 of this chapter in the**
 35 **minority and women business participation fund established by**
 36 **section 12 of this chapter.**

37 SECTION 86. IC 4-33-14-12 IS ADDED TO THE INDIANA
 38 CODE AS A NEW SECTION TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2002]: **Sec. 12. (a) The minority and women**
 40 **business participation fund is established to assist minority and**
 41 **women business enterprises. The fund shall be administered by the**
 42 **commission. The fund consists of fees collected under section 13 of**
 43 **this chapter and civil penalties imposed under section 6 of this**
 44 **chapter.**

45 (b) **The Indiana department of administration may use fees**
 46 **collected under section 13 of this chapter to hire employees to**
 47 **administer this chapter. The commission may use other money in**

1 the fund for the purposes of this chapter.

2 (c) The expenses of administering the fund shall be paid from
3 money in the fund.

4 (d) The treasurer of state shall invest money in the fund not
5 currently needed to meet the obligations of the fund in the same
6 manner as other public money may be invested. Interest that
7 accrues from these investments shall be deposited in the fund.

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

10 SECTION 87. IC 4-33-14-13 IS ADDED TO THE INDIANA
11 CODE AS A NEW SECTION TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2002]: **Sec. 13. The commission shall charge
13 an annual fee of ten thousand dollars (\$10,000) upon the following:**

14 (1) Each licensed owner of a riverboat licensed under this
15 article.

16 (2) Each racetrack offering pari-mutuel pull tabs under
17 IC 4-31-7.5.

18 (3) Each satellite facility offering pari-mutuel pull tabs under
19 IC 4-31-7.5.

20 **The fees collected under this section must be deposited in the
21 minority and women business participation fund.**

22 SECTION 88. IC 4-33-16 IS ADDED TO THE INDIANA CODE
23 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
24 UPON PASSAGE]:

25 **Chapter 16. Gambling Operations in a Historic District**

26 **Sec. 1. This chapter applies only to a historic district described
27 in IC 4-33-1-1(3) and established under IC 36-7-11-4.5.**

28 **Sec. 2. As used in this chapter, "district" refers to the historic
29 district established under IC 36-7-11-4.5.**

30 **Sec. 3. As used in this chapter, "historic preservation
31 commission" refers to the historic preservation commission
32 established under IC 36-7-11-4.5.**

33 **Sec. 4. As used in this chapter, "operating expenses" means the
34 following:**

35 (1) Money spent by the historic preservation commission in
36 the exercise of the historic preservation commission's powers
37 under this article, IC 36-7-11-23, and IC 36-7-11-24 as limited
38 by section 5 of this chapter.

39 (2) Management fees paid to the riverboat's licensed
40 operating agent.

41 **Sec. 5. A riverboat authorized under this article for a historic
42 district described in IC 4-33-1-1(3) must be located on real
43 property located in the district between the two (2) historic resort
44 hotels.**

45 **Sec. 6. The commission shall grant an owner's license to the
46 historic preservation commission upon the fulfillment of the
47 following requirements:**

48 (1) Riverboat gaming is approved in a public question in each

1 of the towns in which the district is located.

2 (2) The commission completes the investigations required

3 under IC 4-33-6.

4 **Sec. 7. The historic preservation commission shall contract with**

5 **another person to operate a riverboat located in the district. The**

6 **person must be a licensed operating agent under IC 4-33-6.5.**

7 **Sec. 8. The net income derived from the riverboat after the**

8 **payment of all operating expenses shall be deposited in the**

9 **community trust fund established by IC 36-7-11.4-4.**

10 **Sec. 9. After deducting any tax revenue received under**

11 **IC 4-33-12 and IC 4-33-13 that:**

12 (1) is expended by the historic preservation commission to

13 carry out the historic preservation commission's duties and

14 powers under this article, IC 36-7-11-3, and IC 36-7-11-24; or

15 (2) is pledged to bonds, leases, or other obligations under

16 IC 5-1-14-4;

17 the historic preservation commission shall deposit the remaining

18 tax revenue in the community trust fund established by

19 IC 36-7-11.4-4.

20 **Sec. 10. (a) As used in this section, "electronic gaming device"**

21 **has the meaning set forth in 68 IAC 1-1-29.**

22 (b) As used in this section, "live gaming device" has the meaning

23 set forth in 68 IAC 1-1-59.

24 (c) The licensed owner of a riverboat located in the historic

25 district may not install more than five hundred (500) electronic

26 gaming devices on board the riverboat.

27 (d) This section does not limit the number of live gaming devices

28 that the licensed owner may install on board the riverboat."

29 Page 17, between lines 15 and 16, begin a new paragraph and insert:

30 "SECTION 15. IC 6-1.1-4-32, AS AMENDED BY P.L.178-2002,

31 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

32 JULY 1, 2002]: Sec. 32. (a) As used in this section, "contract" refers to

33 a contract entered into under this section.

34 (b) As used in this section, "contractor" refers to a firm that enters

35 into a contract with the department of local government finance under

36 this section.

37 (c) As used in this section, "qualifying county" means a county

38 having a population of more than four hundred thousand (400,000) but

39 less than seven hundred thousand (700,000).

40 (d) Notwithstanding sections 15 and 17 of this chapter, a township

41 assessor in a qualifying county may not appraise property, or have

42 property appraised, for the general reassessment of real property to be

43 completed for the March 1, 2002, assessment date. Completion of that

44 general reassessment in a qualifying county is instead governed by this

45 section. The only duty of:

46 (1) a township assessor in a qualifying county; or

47 (2) a county assessor of a qualifying county;

1 with respect to that general reassessment is to provide to the
 2 department of local government finance or the department's contractor
 3 under subsection (e) any support and information requested by the
 4 department or the contractor. This subsection expires June 30, 2004.

5 (e) The department of local government finance shall select and
 6 contract with a certified public accounting firm with expertise in the
 7 appraisal of real property to appraise property for the general
 8 reassessment of real property in a qualifying county to be completed for
 9 the March 1, 2002, assessment date. The department of local
 10 government finance may enter into additional contracts to provide
 11 software or other auxiliary services to be used for the appraisal of
 12 property for the general reassessment. The contract applies for the
 13 appraisal of land and improvements with respect to all classes of real
 14 property in the qualifying county. The contract must include:

15 (1) a provision requiring the appraisal firm to:

16 (A) prepare a detailed report of:

- 17 (i) expenditures made after July 1, 1999, and before the date
- 18 of the report from the qualifying county's reassessment fund
- 19 under section 28 of this chapter (repealed); and
- 20 (ii) the balance in the reassessment fund as of the date of the
- 21 report; and

22 (B) file the report with:

- 23 (i) the legislative body of the qualifying county;
- 24 (ii) the prosecuting attorney of the qualifying county;
- 25 (iii) the department of local government finance; and
- 26 (iv) the attorney general;

27 (2) a fixed date by which the appraisal firm must complete all
 28 responsibilities under the contract;

29 (3) subject to subsection (t), a provision requiring the appraisal
 30 firm to use the land values determined for the qualifying county
 31 under section 13.6 of this chapter;

32 (4) a penalty clause under which the amount to be paid for
 33 appraisal services is decreased for failure to complete specified
 34 services within the specified time;

35 (5) a provision requiring the appraisal firm to make periodic
 36 reports to the department of local government finance;

37 (6) a provision stipulating the manner in which, and the time
 38 intervals at which, the periodic reports referred to in subdivision
 39 (5) are to be made;

40 (7) a precise stipulation of what service or services are to be
 41 provided;

42 (8) a provision requiring the appraisal firm to deliver a report of
 43 the assessed value of each parcel in a township in the qualifying
 44 county to the department of local government finance; and

45 (9) any other provisions required by the department of local
 46 government finance.

47 After December 31, 2001, the department of local government finance

1 has all the powers and duties of the state board of tax commissioners
2 provided under a contract entered into under this subsection (as
3 effective before January 1, 2002) before January 1, 2002. The contract
4 is valid to the same extent as if it were entered into by the department
5 of local government finance. However, a reference in the contract to
6 the state board of tax commissioners shall be treated as a reference to
7 the department of local government finance. The contract shall be
8 treated for all purposes, including the application of IC 33-3-5-2.5, as
9 the contract of the department of local government finance. If the
10 department of local government finance terminates a contract before
11 completion of the work described in this subsection, the department
12 shall contract for completion of the work as promptly as possible under
13 IC 5-22-6. This subsection expires June 30, 2004.

14 (f) At least one (1) time each month, the contractors that will make
15 physical visits to the site of real property for reassessment purposes
16 shall publish a notice under IC 5-3-1 describing the areas that are
17 scheduled to be visited within the next thirty (30) days and explaining
18 the purposes of the visit. The notice shall be published in a way to
19 promote understanding of the purposes of the visit in the affected areas.
20 After receiving the report of assessed values from the appraisal firm
21 acting under a contract described in subsection (e), the department of
22 local government finance shall give notice to the taxpayer and the
23 county assessor, by mail, of the amount of the reassessment. The notice
24 of reassessment is subject to appeal by the taxpayer to the Indiana
25 board. The procedures and time limitations that apply to an appeal to
26 the Indiana board of a determination of the department of local
27 government finance apply to an appeal under this subsection. A
28 determination by the Indiana board of an appeal under this subsection
29 is subject to appeal to the tax court under IC 6-1.1-15. This subsection
30 expires on the later of June 30, 2004, or the date a final determination
31 is entered in the last pending appeal filed under this subsection.

32 (g) In order to obtain a review by the Indiana board under
33 subsection (f), the taxpayer must file a petition for review with the
34 appropriate county assessor within forty-five (45) days after the notice
35 of the department of local government finance is given to the taxpayer
36 under subsection (f). This subsection expires June 30, 2004.

37 (h) The department of local government finance shall mail the
38 notice required by subsection (f) within ninety (90) days after the
39 department receives the report for a parcel from the professional
40 appraisal firm. This subsection expires June 30, 2004.

41 (i) The qualifying county shall pay the cost of any contract under
42 this section which shall be without appropriation from the county
43 property reassessment fund. A contractor may periodically submit bills
44 for partial payment of work performed under a contract. However, the
45 maximum amount that the qualifying county is obligated to pay for all
46 contracts entered into under subsection (e) for the general reassessment
47 of real property in the qualifying county to be completed for the March

1 1, 2002, assessment date is twenty-five million five hundred thousand
2 dollars (\$25,500,000). Notwithstanding any other law, a contractor is
3 entitled to payment under this subsection for work performed under a
4 contract if the contractor:

- 5 (1) submits, in the form required by IC 5-11-10-1, a fully
- 6 itemized, certified bill for the costs under the contract of the work
- 7 performed to the department of local government finance for
- 8 review;
- 9 (2) obtains from the department of local government finance:
 - 10 (A) approval of the form and amount of the bill; and
 - 11 (B) a certification that the billed goods and services billed for
 - 12 payment have been received and comply with the contract; and
- 13 (3) files with the county auditor of the qualifying county:
 - 14 (A) a duplicate copy of the bill submitted to the department of
 - 15 local government finance;
 - 16 (B) the proof of approval provided by the department of local
 - 17 government finance of the form and amount of the bill that
 - 18 was approved; and
 - 19 (C) the certification provided by the department of local
 - 20 government finance that indicates that the goods and services
 - 21 billed for payment have been received and comply with the
 - 22 contract.

23 An approval and a certification under subdivision (2) shall be treated
24 as conclusively resolving the merits of the claim. Upon receipt of the
25 documentation described in subdivision (3), the county auditor shall
26 immediately certify that the bill is true and correct without further
27 audit, publish the claim as required by IC 36-2-6-3, and submit the
28 claim to the county executive of the qualifying county. The county
29 executive shall allow the claim, in full, as approved by the department
30 of local government finance without further examination of the merits
31 of the claim in a regular or special session that is held not less than
32 three (3) days and not more than seven (7) days after completion of the
33 publication requirements under IC 36-2-6-3. Upon allowance of the
34 claim by the county executive, the county auditor shall immediately
35 issue a warrant or check for the full amount of the claim approved by
36 the department of local government finance. Compliance with this
37 subsection shall be treated as compliance with section 28.5 of this
38 chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and
39 payment of a claim in compliance with this subsection is not subject to
40 remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply
41 to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal
42 officer who pays a claim in compliance with this subsection. This
43 subsection expires June 30, 2004.

44 (j) Notwithstanding IC 4-13-2, a period of seven (7) days is
45 permitted for each of the following to review and act under IC 4-13-2
46 on a contract of the department of local government finance under this
47 section:

- 1 (1) The commissioner of the Indiana department of
 2 administration.
- 3 (2) The director of the budget agency.
- 4 (3) The attorney general.
- 5 (4) The governor.
- 6 (k) With respect to a general reassessment of real property to be
 7 completed under section 4 of this chapter for an assessment date after
 8 the March 1, 2002, assessment date, the department of local
 9 government finance shall initiate a review with respect to the real
 10 property in a qualifying county or a township in a qualifying county, or
 11 a portion of the real property in a qualifying county or a township in a
 12 qualifying county. The department of local government finance may
 13 contract to have the review performed by an appraisal firm. The
 14 department of local government finance or its contractor shall
 15 determine for the real property under consideration and for the
 16 qualifying county or township the variance between:
- 17 (1) the total assessed valuation of the real property within the
 18 qualifying county or township; and
- 19 (2) the total assessed valuation that would result if the real
 20 property within the qualifying county or township were valued in
 21 the manner provided by law.
- 22 (l) If:
- 23 (1) the variance determined under subsection (k) exceeds ten
 24 percent (10%); and
- 25 (2) the department of local government finance determines after
 26 holding hearings on the matter that a special reassessment should
 27 be conducted;
- 28 the department shall contract for a special reassessment by an appraisal
 29 firm to correct the valuation of the property.
- 30 (m) If the variance determined under subsection (k) is ten percent
 31 (10%) or less, the department of local government finance shall
 32 determine whether to correct the valuation of the property under:
- 33 (1) sections 9 and 10 of this chapter; or
- 34 (2) IC 6-1.1-14-10 and IC 6-1.1-14-11.
- 35 (n) The department of local government finance shall give notice by
 36 mail to a taxpayer of a hearing concerning the department's intent to
 37 cause the taxpayer's property to be reassessed under this section. The
 38 time fixed for the hearing must be at least ten (10) days after the day
 39 the notice is mailed. The department of local government finance may
 40 conduct a single hearing under this section with respect to multiple
 41 properties. The notice must state:
- 42 (1) the time of the hearing;
- 43 (2) the location of the hearing; and
- 44 (3) that the purpose of the hearing is to hear taxpayers' comments
 45 and objections with respect to the department of local government
 46 finance's intent to reassess property under this chapter.
- 47 (o) If the department of local government finance determines after

1 the hearing that property should be reassessed under this section, the
2 department shall:

- 3 (1) cause the property to be reassessed under this section;
- 4 (2) mail a certified notice of its final determination to the county
5 auditor of the qualifying county in which the property is located;
6 and
- 7 (3) notify the taxpayer by mail of its final determination.

8 (p) A reassessment may be made under this section only if the
9 notice of the final determination under subsection (n) is given to the
10 taxpayer within the same period prescribed in IC 6-1.1-9-3 or
11 IC 6-1.1-9-4.

12 (q) If the department of local government finance contracts for a
13 special reassessment of property under this section, the qualifying
14 county shall pay the bill, without appropriation, from the county
15 property reassessment fund. A contractor may periodically submit bills
16 for partial payment of work performed under a contract.
17 Notwithstanding any other law, a contractor is entitled to payment
18 under this subsection for work performed under a contract if the
19 contractor:

- 20 (1) submits, in the form required by IC 5-11-10-1, a fully
21 itemized, certified bill for the costs under the contract of the work
22 performed to the department of local government finance for
23 review;
- 24 (2) obtains from the department of local government finance:
 - 25 (A) approval of the form and amount of the bill; and
 - 26 (B) a certification that the billed goods and services billed for
27 payment have been received and comply with the contract; and
- 28 (3) files with the county auditor of the qualifying county:
 - 29 (A) a duplicate copy of the bill submitted to the department of
30 local government finance;
 - 31 (B) the proof of approval provided by the department of local
32 government finance of the form and amount of the bill that
33 was approved; and
 - 34 (C) the certification provided by the department of local
35 government finance that indicates that the goods and services
36 billed for payment have been received and comply with the
37 contract.

38 An approval and a certification under subdivision (2) shall be treated
39 as conclusively resolving the merits of the claim. Upon receipt of the
40 documentation described in subdivision (3), the county auditor shall
41 immediately certify that the bill is true and correct without further
42 audit, publish the claim as required by IC 36-2-6-3, and submit the
43 claim to the county executive of the qualifying county. The county
44 executive shall allow the claim, in full, as approved by the department
45 of local government finance without further examination of the merits
46 of the claim in a regular or special session that is held not less than
47 three (3) days and not more than seven (7) days after completion of the

1 publication requirements under IC 36-2-6-3. Upon allowance of the
 2 claim by the county executive, the county auditor shall immediately
 3 issue a warrant or check for the full amount of the claim approved by
 4 the department of local government finance. Compliance with this
 5 subsection shall be treated as compliance with section 28.5 of this
 6 chapter, IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and
 7 payment of a claim in compliance with this subsection is not subject to
 8 remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not apply
 9 to a claim under this subsection. IC 5-11-10-1.6(d) applies to a fiscal
 10 officer who pays a claim in compliance with this subsection.

11 (r) A qualifying official (as defined in IC 33-3-5-2.5) shall provide
 12 information requested in writing by the department of local government
 13 finance or the department's contractor under this section not later than
 14 seven (7) days after receipt of the written request from the department
 15 or the contractor. If a qualifying official (as defined in IC 33-3-5-2.5)
 16 fails to provide the requested information within the time permitted in
 17 this subsection, the department of local government finance or the
 18 department's contractor may seek an order of the tax court under
 19 IC 33-3-5-2.5 for production of the information.

20 (s) The provisions of this section are severable in the manner
 21 provided in IC 1-1-1-8(b).

22 (t) A contract entered into under subsection (e) is subject to this
 23 subsection. A contractor shall use the land values determined for the
 24 qualifying county under section 13.6 of this chapter to the extent that
 25 the contractor finds that the land values reflect the true tax value of
 26 land, as determined under the statutes and the rules of the department
 27 of local government finance. If the contractor finds that the land values
 28 determined for the qualifying county under section 13.6 of this chapter
 29 do not reflect the true tax value of land, the contractor shall determine
 30 land values for the qualifying county that reflect the true tax value of
 31 land, as determined under the statutes and the rules of the department
 32 of local government finance. The land values determined by the
 33 contractor shall be used to the same extent as if the land values had
 34 been determined under section 13.6 of this chapter. The contractor
 35 shall notify the county assessor and the township assessors in the
 36 qualifying county of the land values as modified under this subsection.
 37 This subsection expires June 30, 2004.

38 (u) A contractor acting under a contract under subsection (e) may
 39 notify the department of local government finance if:

- 40 (1) the county auditor fails to:
 41 (A) certify the bill;
 42 (B) publish the claim;
 43 (C) submit the claim to the county executive; or
 44 (D) issue a warrant or check;
 45 as required in subsection (i) at the first opportunity the county
 46 auditor is legally permitted to do so;
 47 (2) the county executive fails to allow the claim as required in

1 subsection (i) at the first opportunity the county executive is
2 legally permitted to do so; or

3 (3) a person or entity authorized to act on behalf of the county
4 takes or fails to take an action, including failure to request an
5 appropriation, and that action or failure to act delays or halts the
6 process under this section for payment of a bill submitted by a
7 contractor under subsection (i).

8 This subsection expires June 30, 2004.

9 (v) The department of local government finance, upon receiving
10 notice under subsection (u) from the contractor, shall:

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

13 (A) a failure occurred as described in subsection (b)(1) or
14 (b)(2); or

15 (B) a person or entity acted or failed to act as described in
16 subsection (b)(3); and

17 (2) provide to the treasurer of state the department of local
18 government finance's approval under subsection (i)(2)(A) of the
19 bill with respect to which the contractor gave notice under
20 subsection (u).

21 This subsection expires June 30, 2004.

22 (w) Upon receipt of the approval of the department of local
23 government finance under subsection (v), the treasurer of state shall
24 pay the contractor the amount of the bill approved by the department
25 of local government finance from money in the possession of the state
26 that would otherwise be available for distribution to the qualifying
27 county, including distributions from the property tax replacement fund
28 or distributions of admissions taxes or wagering taxes. This subsection
29 expires June 30, 2004.

30 (x) The treasurer of state shall withhold from the part attributable to
31 the county of the next distribution to the county treasurer under
32 IC 4-33-12-6 (**before its repeal**), IC 4-33-13-5, IC 6-1.1-21-4(b), or
33 another law the amount of any payment made by the treasurer of state
34 to the contractor under subsection (w). Money shall be deducted first
35 from money payable under IC 6-1.1-21.4(b) and then from all other
36 funds payable to the qualifying county. This subsection expires June
37 30, 2004.

38 (y) Compliance with subsections (u) through (x) shall be treated as
39 compliance with IC 5-11-10. This subsection expires June 30, 2004.

40 (z) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to
41 the payment made in compliance with subsections (u) through (x). This
42 subsection and subsections (u) through (y) shall be interpreted liberally
43 so that the state shall, to the extent legally valid, ensure that the
44 contractual obligations of a county under this section are paid. Nothing
45 in this subsection or subsections (u) through (y) shall be construed to
46 create a debt of the state. This subsection expires June 30, 2004."

47 Page 101, delete lines 33 through 42.

1 Page 102, delete lines 1 through 15, begin a new paragraph and
2 insert:

3 "SECTION 72. IC 6-3-4-8.2 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8.2. (a) Each person in
5 Indiana who is required under the Internal Revenue Code to withhold
6 federal tax from winnings shall deduct and retain adjusted gross
7 income tax at the time and in the amount described in withholding
8 instructions issued by the department. **In addition, a licensed owner**
9 **(as defined in IC 4-33-2-13) or a permit holder (as defined in**
10 **IC 4-31-2-14) shall deduct and retain adjusted gross income tax on**
11 **winnings from a slot machine or a pari-mutuel pull tab terminal or**
12 **device if the amount of the winnings is at least one thousand two**
13 **hundred dollars (\$1,200). The licensed owner or permit holder**
14 **shall report and pay the withheld amount to the department before**
15 **the close of the business day following the day the winnings are**
16 **paid, actually or constructively.**

17 (b) A licensed owner (as defined in IC 4-33-2-13) shall deduct
18 and retain adjusted gross income tax on winnings from a keno
19 game if the net amount of the winnings, after deducting the amount
20 of the wager, is at least one thousand five hundred dollars (\$1,500).
21 The licensed owner shall report and pay the withheld amount to
22 the department before the close of the business day following the
23 day the winnings are paid, actually or constructively."

24 Page 116, between lines 35 and 36, begin a new paragraph and
25 insert:

26 "SECTION 100. IC 6-3.1-20-7, AS AMENDED BY P.L.178-2002,
27 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2002]: Sec. 7. (a) The department shall before July 1 of each
29 year determine the amount of credits allowed under this chapter for
30 taxable years ending before January 1 of the year.

31 (b) One-half (1/2) of the amount determined by the department
32 under subsection (a) shall be:

- 33 (1) deducted during the year from the riverboat ~~admissions~~
34 **wagering** tax revenue otherwise payable to the county under
35 ~~IC 4-33-12-6(d)(2); IC 4-33-13-5(a)(1)(A);~~ and
36 (2) paid instead to the state general fund.

37 (c) One-sixth (1/6) of the amount determined by the department
38 under subsection (a) shall be:

- 39 (1) deducted during the year from the riverboat ~~admissions~~
40 **wagering** tax revenue otherwise payable under
41 ~~IC 4-33-12-6(d)(1) IC 4-33-13-5(a)(1)(C)~~ to each of the
42 following:

- 43 (A) The largest city by population located in the county.
44 (B) The second largest city by population located in the
45 county.
46 (C) The third largest city by population located in the county;
47 and

- 1 (2) paid instead to the state general fund."
 2 Page 144, line 15, after "only" insert "**the pari-mutuel pull tab**
 3 **wagering tax (IC 4-31-7.6-3);**".
 4 Page 144, line 17, after "(IC 4-33-12)" insert "**(repealed)**".
 5 Page 148, between lines 38 and 39, begin a new paragraph and
 6 insert:
 7 "SECTION 129. IC 8-18-8-5 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) Except as
 9 provided in subsection (c), all expenses incurred in the maintenance of
 10 county highways shall be paid out of funds from the gasoline tax,
 11 special fuel tax, and the motor vehicle registration fees that are paid to
 12 the counties by the state, and from funds derived from the:
 13 (1) county motor vehicle excise surtax;
 14 (2) county wheel tax;
 15 (3) county adjusted gross income tax;
 16 (4) county option income tax; **or**
 17 ~~(5) riverboat admission tax (IC 4-33-12); or~~
 18 ~~(6)~~ **(5) riverboat wagering tax (IC 4-33-13).**
 19 (b) Except as provided in subsection (c), no ad valorem property tax
 20 may be levied by any county for the maintenance of county highways,
 21 except in an emergency and by unanimous vote of the county fiscal
 22 body.
 23 (c) The county fiscal body may appropriate money from the county
 24 general fund to the county highway department to pay for employees'
 25 personal services."
 26 Page 157, between lines 9 and 10, begin a new paragraph and insert:
 27 "SECTION 137. IC 12-23-2-2 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. The addiction
 29 services fund is established for the deposit of excise taxes on alcoholic
 30 beverages as described in IC 7.1-4-11 and ~~taxes on riverboat~~
 31 ~~admissions wagering taxes~~ under ~~IC 4-33-12-6.~~
 32 **IC 4-33-13-5(a)(2)(B).**
 33 SECTION 138. IC 12-23-2-5 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. The general
 35 assembly shall appropriate money from the addiction services fund
 36 solely for the purpose of funding programs:
 37 (1) that provide prevention services and intervention and
 38 treatment services for individuals who are psychologically or
 39 physiologically dependent upon alcohol or other drugs; and
 40 (2) for the prevention and treatment of gambling problems.
 41 Programs funded by the addiction services fund must include the
 42 creation and maintenance of a toll free telephone line under
 43 ~~IC 4-33-12-6-(f)(3); IC 4-33-13-5(d)~~ to provide the public with
 44 information about programs that provide help with gambling, alcohol,
 45 and drug addiction problems.
 46 SECTION 139. IC 12-23-2-7 IS AMENDED TO READ AS
 47 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. For each state fiscal

1 year, the division may not spend more than an amount equal to five
 2 percent (5%) of the total amount received by the division from the fund
 3 established under section 2 of this chapter for the administrative costs
 4 associated with the use of money received from the fund. The division
 5 shall allocate at least twenty-five percent (25%) of the funds derived
 6 from the riverboat ~~admissions wagering~~ tax under ~~IC 4-33-12-6~~
 7 **IC 4-33-13-5(a)(2)(B)** to the prevention and treatment of compulsive
 8 gambling."

9 Page 159, between lines 8 and 9, begin a new paragraph and insert:

10 "SECTION 141. IC 20-5-6-9, AS ADDED BY P.L.17-2000,
 11 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2002]: Sec. 9. (a) As used in this section, "public school
 13 endowment corporation" means a corporation that is:

- 14 (1) organized under the Indiana Nonprofit Corporation Act of
- 15 1991 (IC 23-17);
- 16 (2) organized exclusively for educational, charitable, and
- 17 scientific purposes; and
- 18 (3) formed for the purpose of providing educational resources to:
- 19 (A) a particular school corporation or school corporations; or
- 20 (B) the schools in a particular geographic area.

21 (b) As used in this section, "proceeds from riverboat gaming" means
 22 tax revenue received by a political subdivision under IC 4-33-12-6
 23 **(before its repeal)**, IC 4-33-13, or an agreement to share a city's or
 24 county's part of the tax revenue.

25 (c) As used in this section, "political subdivision" has the meaning
 26 set forth in IC 36-1-2-13.

27 (d) A political subdivision may donate proceeds from riverboat
 28 gaming to a public school endowment corporation under the following
 29 conditions:

- 30 (1) The public school endowment corporation retains all rights to
- 31 the donation, including investment powers.
- 32 (2) The public school endowment corporation agrees to return the
- 33 donation to the political subdivision if the corporation:
- 34 (A) loses the corporation's status as a public charitable
- 35 organization;
- 36 (B) is liquidated; or
- 37 (C) violates any condition of the endowment set by the fiscal
- 38 body of the political subdivision.

39 (e) A public school endowment corporation may distribute both
 40 principal and income.

41 SECTION 142. IC 20-5-6-10, AS ADDED BY P.L.45-2002,
 42 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 43 JULY 1, 2002]: Sec. 10. (a) The governing body of a school
 44 corporation may donate the proceeds of a grant, a gift, a donation, an
 45 endowment, a bequest, a trust, or an agreement to share tax revenue
 46 received by a city or county under IC 4-33-12-6 **(before its repeal)** or
 47 IC 4-33-13, or other funds not generated from taxes levied by the

- 1 school corporation, to a foundation under the following conditions:
- 2 (1) The foundation is a charitable nonprofit community
- 3 foundation.
- 4 (2) The foundation retains all rights to the donation, including
- 5 investment powers, except as provided in subdivision (3).
- 6 (3) The foundation agrees to do the following:
- 7 (A) Hold the donation as a permanent endowment.
- 8 (B) Distribute the income from the donation only to the school
- 9 corporation as directed by resolution of the governing body of
- 10 the school corporation.
- 11 (C) Return the donation to the general fund of the school
- 12 corporation if the foundation:
- 13 (i) loses the foundation's status as a public charitable
- 14 organization;
- 15 (ii) is liquidated; or
- 16 (iii) violates any condition of the endowment set by the
- 17 governing body of the school corporation.
- 18 (b) A school corporation may use income received under this
- 19 section from a community foundation only for purposes of the school
- 20 corporation.".
- 21 Page 173, between lines 9 and 10, begin a new paragraph and insert:
- 22 "SECTION 155. IC 34-24-3-1 IS AMENDED TO READ AS
- 23 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) If a person
- 24 suffers a pecuniary loss as a result of a violation of IC 35-43,
- 25 IC 35-42-3-3, IC 35-42-3-4, or IC 35-45-9, the person may bring a civil
- 26 action against the person who caused the loss for the following:
- 27 (1) **Except as provided in subsection (b)**, an amount not to
- 28 exceed three (3) times the actual damages of the person suffering
- 29 the loss.
- 30 (2) The costs of the action.
- 31 (3) A reasonable attorney's fee.
- 32 (4) Actual travel expenses that are not otherwise reimbursed
- 33 under subdivisions (1) through (3) and are incurred by the person
- 34 suffering loss to:
- 35 (A) have the person suffering loss or an employee or agent of
- 36 that person file papers and attend court proceedings related to
- 37 the recovery of a judgment under this chapter; or
- 38 (B) provide witnesses to testify in court proceedings related to
- 39 the recovery of a judgment under this chapter.
- 40 (5) A reasonable amount to compensate the person suffering loss
- 41 for time used to:
- 42 (A) file papers and attend court proceedings related to the
- 43 recovery of a judgment under this chapter; or
- 44 (B) travel to and from activities described in clause (A).
- 45 (6) Actual direct and indirect expenses incurred by the person
- 46 suffering loss to compensate employees and agents for time used
- 47 to:

- 1 (A) file papers and attend court proceedings related to the
 2 recovery of a judgment under this chapter; or
 3 (B) travel to and from activities described in clause (A).
 4 (7) All other reasonable costs of collection.

5 **(b) The owner of a riverboat licensed under IC 4-33 or the**
 6 **owner's assignee who suffers a pecuniary loss as the result of a**
 7 **violation of IC 35-43-5-5 is entitled to the actual damages resulting**
 8 **from the violation. In addition, the owner or the owner's assignee**
 9 **is entitled to the amounts described in subsection (a)(2) through**
 10 **(a)(7).**

11 SECTION 156. IC 35-45-5-4 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) Except as
 13 provided in subsection (b), a person who:

- 14 (1) knowingly or intentionally owns, manufactures, possesses,
 15 buys, sells, rents, leases, repairs, or transports a gambling device,
 16 or offers or solicits an interest in a gambling device;
 17 (2) before a race, game, contest, or event on which gambling may
 18 be conducted, knowingly or intentionally transmits or receives
 19 gambling information by any means, or knowingly or intentionally
 20 installs or maintains equipment for the transmission or receipt of
 21 gambling information; or
 22 (3) having control over the use of a place, knowingly or
 23 intentionally permits another person to use the place for
 24 professional gambling;

25 commits promoting professional gambling, a Class D felony.

26 (b) Subsection (a)(1) does not apply to a boat manufacturer who:

- 27 (1) transports or possesses a gambling device solely for the
 28 purpose of installing that device in a boat that is to be sold and
 29 transported to a buyer; and
 30 (2) does not display the gambling device to the general public or
 31 make the device available for use in Indiana.

32 (c) When a public utility is notified by a law enforcement agency
 33 acting within its jurisdiction that any service, facility, or equipment
 34 furnished by it is being used or will be used to violate this section, it
 35 shall discontinue or refuse to furnish that service, facility, or
 36 equipment, and no damages, penalty, or forfeiture, civil or criminal,
 37 may be found against a public utility for an act done in compliance
 38 with such a notice. This subsection does not prejudice the right of a
 39 person affected by it to secure an appropriate determination, as
 40 otherwise provided by law, that the service, facility, or equipment
 41 should not be discontinued or refused, or should be restored.

42 **(d) Subsection (a)(1) does not apply to a person who:**

- 43 **(1) possesses an antique slot machine;**
 44 **(2) restricts display and use of the antique slot machine to the**
 45 **person's private residence; and**
 46 **(3) does not use the antique slot machine for profit.**

47 **(e) As used in this section, "antique slot machine" refers to a slot**

1 **machine that is:**

2 **(1) at least forty (40) years old; and**

3 **(2) possessed and used for decorative, historic, or nostalgic**
 4 **purposes.**

5 SECTION 157. IC 35-45-5-7 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. This chapter does not
 7 apply to the publication or broadcast of an advertisement, a list of
 8 prizes, or other information concerning:

9 (1) pari-mutuel wagering on horse races or a lottery authorized by
 10 the law of any state; ~~or~~

11 (2) a game of chance operated in accordance with IC 4-32; **or**

12 **(3) a pari-mutuel pull tab game operated in accordance with**
 13 **IC 4-31-7.5.**

14 SECTION 158. IC 35-45-5-11 IS ADDED TO THE INDIANA
 15 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 16 [EFFECTIVE JULY 1, 2002]: **Sec. 11. This chapter does not apply**
 17 **to the sale of pari-mutuel pull tab tickets authorized by IC 4-31-7.5.**

18 SECTION 159. IC 36-1-8-9 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) Each unit that
 20 receives tax revenue under IC 4-33-12-6 (**before its repeal**),
 21 IC 4-33-13, or an agreement to share a city's or county's part of the tax
 22 revenue may establish a riverboat fund. Money in the fund may be used
 23 for any legal or corporate purpose of the unit.

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

32 SECTION 160. IC 36-1-14-1, AS AMENDED BY P.L.17-2000,
 33 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2002]: Sec. 1. (a) This section does not apply to donations of
 35 proceeds from riverboat gaming to a public school endowment
 36 corporation under IC 20-5-6-9.

37 (b) As used in this section, "riverboat gaming revenue" means tax
 38 revenue received by a unit under IC 4-33-12-6 (**before its repeal**),
 39 IC 4-33-13, or an agreement to share a city's or county's part of the tax
 40 revenue.

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

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

47 (2) The foundation retains all rights to the donation, including

- 1 investment powers.
- 2 (3) The foundation agrees to do the following:
- 3 (A) Hold the donation as a permanent endowment.
- 4 (B) Distribute the income from the donation only to the unit as
- 5 directed by resolution of the fiscal body of the unit.
- 6 (C) Return the donation to the general fund of the unit if the
- 7 foundation:
- 8 (i) loses the foundation's status as a public charitable
- 9 organization;
- 10 (ii) is liquidated; or
- 11 (iii) violates any condition of the endowment set by the
- 12 fiscal body of the unit.

13 SECTION 161. IC 36-7-11-4.3 IS AMENDED TO READ AS

14 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.3. (a) An

15 ordinance that establishes a historic preservation commission under

16 section 4 **or 4.5** of this chapter may authorize the staff of the

17 commission, on behalf of the commission, to grant or deny a

18 application for a certificate of appropriateness.

19 (b) An ordinance adopted under this section must specify the types

20 of applications that the staff of the commission is authorized to grant

21 or deny. The staff may not be authorized to grant or deny an application

22 for a certificate of appropriateness for the following:

- 23 (1) The demolition of a building.
- 24 (2) The moving of a building.
- 25 (3) The construction of an addition to a building.
- 26 (4) The construction of a new building.

27 SECTION 162. IC 36-7-11-4.5 IS ADDED TO THE INDIANA

28 CODE AS A NEW SECTION TO READ AS FOLLOWS

29 [EFFECTIVE UPON PASSAGE]: **Sec. 4.5. (a) This section applies**

30 **to the following towns located in a county having a population of**

31 **more than nineteen thousand three hundred (19,300) but less than**

32 **twenty thousand (20,000):**

- 33 (1) **A town having a population of more than one thousand**
- 34 **five hundred (1,500) but less than two thousand two hundred**
- 35 **(2,200).**
- 36 (2) **A town having a population of less than one thousand five**
- 37 **hundred (1,500).**

38 (b) **The towns described in subsection (a) may enter into an**

39 **interlocal agreement under IC 36-1-7 to establish a joint historic**

40 **district under this chapter. An ordinance entering into the**

41 **interlocal agreement must provide for the following membership**

42 **of a joint historic preservation commission to administer the joint**

43 **historic district:**

- 44 (1) **A member of the town council of a town described in**
- 45 **subsection (a)(1).**
- 46 (2) **A member of the town council of a town described in**
- 47 **subsection (a)(2).**

- 1 **(3) The owner of a historic resort hotel located in a town**
- 2 **described in subsection (a)(1) or the owner's designee.**
- 3 **(4) The owner of a historic resort hotel located in a town**
- 4 **described in subsection (a)(2) or the owner's designee.**
- 5 **(5) An individual appointed by the Historic Landmarks**
- 6 **Foundation of Indiana.**
- 7 **(6) An individual who resides in the county described in**
- 8 **subsection (a) appointed by the town council of a town**
- 9 **described in subsection (a)(1).**
- 10 **(7) An individual who resides in the county described in**
- 11 **subsection (a) appointed by the town council of a town**
- 12 **described in subsection (a)(2).**

13 **The members described in subdivisions (1) and (2) shall be**
 14 **appointed by the town councils of the respective towns.**

15 **(c) A member of the commission described in subsection (b)(1)**
 16 **or (b)(2) shall serve for the duration of the member's term of office**
 17 **on the town council. The members described in subsection (b)(5)**
 18 **through (b)(7) shall each serve for a term of three (3) years.**
 19 **However, the terms of the original voting members may be for one**
 20 **(1) year, two (2) years, or three (3) years in order for the terms to**
 21 **be staggered, as provided by the ordinance. A vacancy shall be**
 22 **filled for the duration of the term by the original appointing**
 23 **authority.**

24 **(d) The ordinance may provide qualifications for members of**
 25 **the commission described in subsection (b)(6) and (b)(7). In**
 26 **addition, the members appointed under subsection (b)(6) and (b)(7)**
 27 **must be residents of the county that are interested in the**
 28 **preservation and development of historic areas. The members of**
 29 **the commission should include professionals in the disciplines of**
 30 **architectural history, planning, and other disciplines related to**
 31 **historic preservation, to the extent that those professionals are**
 32 **available in the community. The ordinance may also provide for**
 33 **the appointment of advisory members that the legislative body**
 34 **considers appropriate.**

35 **(e) Each member of the commission must, before beginning the**
 36 **discharge of the duties of the member's office, do the following:**

- 37 **(1) Take an oath that the member will faithfully execute the**
- 38 **duties of the member's office according to Indiana law and**
- 39 **rules adopted under Indiana law.**
- 40 **(2) Provide a bond to the state that:**
 - 41 **(A) is approved by the Indiana gaming commission;**
 - 42 **(B) is for twenty-five thousand dollars (\$25,000); and**
 - 43 **(C) is, after being executed and approved, recorded in the**
 - 44 **office of the secretary of state.**

45 **(f) The ordinance may:**

- 46 **(1) designate an officer or employee of a town described in**
- 47 **subsection (a) to act as administrator;**
- 48 **(2) permit the commission to appoint an administrator who**

1 shall serve without compensation except reasonable expenses
 2 incurred in the performance of the administrator's duties; or
 3 (3) provide that the commission act without the services of an
 4 administrator.

5 (g) Members of the commission shall serve without
 6 compensation except for reasonable expenses incurred in the
 7 performance of their duties.

8 (h) The commission shall elect from its membership a
 9 chairperson and vice chairperson, who shall serve for one (1) year
 10 and may be reelected.

11 (i) The commission shall adopt rules consistent with this chapter
 12 for the transaction of its business. The rules must include the time
 13 and place of regular meetings and a procedure for the calling of
 14 special meetings. All meetings of the commission must be open to
 15 the public, and a public record of the commission's resolutions,
 16 proceedings, and actions must be kept. If the commission has an
 17 administrator, the administrator shall act as the commission's
 18 secretary. If the commission does not have an administrator, the
 19 commission shall elect a secretary from its membership.

20 (j) The commission shall hold regular meetings, at least
 21 monthly, except when it has no business pending.

22 (k) A decision of the commission is subject to judicial review
 23 under IC 4-21.5-5 as if it were a decision of a state agency.

24 (l) Money acquired by the historic preservation commission:
 25 (1) is subject to the laws concerning the deposit and
 26 safekeeping of public money; and
 27 (2) must be deposited under the advisory supervision of the
 28 state board of finance in the same way and manner, at the
 29 same rate of interest, and under the same restrictions as other
 30 state money.

31 (m) The money of the historic preservation commission and the
 32 accounts of each officer, employee, or other person entrusted by
 33 law with the raising, disposition, or expenditure of the money or
 34 part of the money are subject to the following:

35 (1) Examination by the state board of accounts.
 36 (2) The same penalties and the same provision for publicity
 37 that are provided by law for state money and state officers.

38 SECTION 163. IC 36-7-11-4.6 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.6. An ordinance
 40 that establishes a historic preservation commission under section 4 or
 41 4.5 of this chapter may:

42 (1) authorize the commission to:
 43 (A) acquire by purchase, gift, grant, bequest, devise, or lease
 44 any real or personal property, including easements, that is
 45 appropriate for carrying out the purposes of the commission;
 46 (B) hold title to real and personal property; and
 47 (C) sell, lease, rent, or otherwise dispose of real and personal
 48 property at a public or private sale on the terms and conditions

1 that the commission considers best; and
 2 (2) establish procedures that the commission must follow in
 3 acquiring and disposing of property.

4 SECTION 164. IC 36-7-11-23 IS ADDED TO THE INDIANA
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS
 6 [EFFECTIVE UPON PASSAGE]: **Sec. 23. (a) This section applies to**
 7 **a historic preservation commission established by section 4.5 of this**
 8 **chapter.**

9 **(b) In addition to the commission's other duties set forth in this**
 10 **chapter, the commission shall do the following:**

11 **(1) Designate a fiscal agent who must be the fiscal officer of**
 12 **one (1) of the towns described in section 4.5(a) of this chapter.**

13 **(2) Employ professional staff to assist the commission in**
 14 **carrying out its duties under this section.**

15 **(3) Engage consultants, attorneys, accountants, and other**
 16 **professionals necessary to carry out the commission's duties**
 17 **under this section.**

18 **(4) Own the riverboat license described in IC 4-33-6-1(a)(6).**

19 **(5) Develop requests for proposals for persons interested in**
 20 **operating and managing the riverboat authorized under**
 21 **IC 4-33 on behalf of the commission as the riverboat's**
 22 **licensed operating agent.**

23 **(6) Recommend a person to the Indiana gaming commission**
 24 **that the historic preservation commission believes will:**

25 **(A) promote the most economic development in the area**
 26 **surrounding the historic district;**

27 **(B) best meet the criteria set forth in IC 4-33-6-4; and**

28 **(C) best serve the interests of the citizens of Indiana.**

29 **However, the gaming commission is not bound by the**
 30 **recommendation of the historic preservation commission.**

31 SECTION 165. IC 36-7-11-24 IS ADDED TO THE INDIANA
 32 CODE AS A NEW SECTION TO READ AS FOLLOWS
 33 [EFFECTIVE UPON PASSAGE]: **Sec. 24. (a) This section applies to**
 34 **a historic preservation commission established by section 4.5 of this**
 35 **chapter.**

36 **(b) In addition to the commission's other powers set forth in this**
 37 **chapter, the commission may do the following:**

38 **(1) Enter contracts to carry out the commission's duties under**
 39 **section 23 of this chapter, including contracts for the**
 40 **construction, maintenance, operation, and management of a**
 41 **riverboat to be operated in the historic district under IC 4-33.**

42 **(2) Provide recommendations to the Indiana gaming**
 43 **commission concerning the operation and management of a**
 44 **riverboat to be operated in the historic district under IC 4-33.**

45 **(c) This section may not be construed to limit the powers of the**
 46 **Indiana gaming commission with respect to the administration and**
 47 **regulation of riverboat gaming under IC 4-33.**

48 SECTION 166. IC 36-7-11.4 IS ADDED TO THE INDIANA

1 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
2 [EFFECTIVE UPON PASSAGE]:

3 **Chapter 11.4. Community Trust Fund**

4 **Sec. 1. This section applies to a historic district established by**
5 **IC 36-7-11-4.5.**

6 **Sec. 2. As used in this chapter, "fund" refers to the community**
7 **trust fund established by section 4 of this chapter.**

8 **Sec. 3. As used in this chapter, "historic preservation**
9 **commission" refers to the historic preservation commission**
10 **described in IC 36-7-11-4.5.**

11 **Sec. 4. (a) The community trust fund is established.**

12 **(b) The fund consists of the following:**

13 **(1) Money disbursed from the historic preservation**
14 **commission.**

15 **(2) Donations.**

16 **(3) Interest and dividends on assets of the fund.**

17 **(4) Money transferred to the fund from other funds.**

18 **(5) Money from any other source.**

19 **Sec. 5. (a) The historic preservation commission shall manage**
20 **and develop the fund and the assets of the fund.**

21 **(b) The historic preservation commission shall do the following:**

22 **(1) Establish a policy for the investment of the fund's assets.**

23 **(2) Perform other tasks consistent with prudent management**
24 **and development of the fund.**

25 **Sec. 6. (a) Subject to the investment policy of the historic**
26 **preservation commission, the fiscal agent appointed by the historic**
27 **preservation commission shall administer the fund and invest the**
28 **money in the fund.**

29 **(b) The expenses of administering the fund and implementing**
30 **this chapter shall be paid from the fund.**

31 **(c) Money in the fund that is not currently needed to meet the**
32 **obligations of the fund may be invested in the same manner as**
33 **other public funds are invested. Interest that accrues from these**
34 **investments shall be deposited in the fund.**

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

37 **Sec. 7. (a) The historic preservation commission has the sole**
38 **authority to allocate money from the fund for the following**
39 **purposes:**

40 **(1) The preservation, restoration, maintenance, operation,**
41 **and development of a historic resort hotel located in a town**
42 **described in IC 36-7-11-4.5(a)(1).**

43 **(2) The preservation, restoration, maintenance, operation,**
44 **and development of a historic resort hotel located in a town**
45 **described in IC 36-7-11-4.5(a)(2).**

46 **(3) Infrastructure projects and other related improvements in**
47 **the surrounding community.**

48 **(b) Money allocated under subsection (a)(1) and (a)(2) must be**

1 divided equally between the historic resort hotels described in
2 subsection (a).

3 **Sec. 8. The historic preservation commission shall prepare an**
4 **annual report concerning the fund and submit the report to the**
5 **legislative council before October 1 of each year. The report is a**
6 **public record."**

7 Page 222, delete lines 18 through 19, begin a new paragraph and
8 insert:

9 "SECTION 172. THE FOLLOWING ARE REPEALED
10 [EFFECTIVE UPON PASSAGE]: IC 4-33-2-8; IC 4-33-4-19;
11 IC 4-33-9-2.

12 SECTION 173. THE FOLLOWING ARE REPEALED
13 [EFFECTIVE JULY 1, 2002]: IC 4-33-12-1; IC 4-33-12-2;
14 IC 4-33-12-3; IC 4-33-12-4; IC 4-33-12-5; IC 4-33-12-6; IC 4-33-15."

15 Page 222, between lines 24 and 25, begin a new paragraph and
16 insert:

17 "SECTION 174. [EFFECTIVE JULY 1, 2002] **The riverboat**
18 **admissions tax may not be collected after June 30, 2002.**

19 SECTION 175. [EFFECTIVE JULY 1, 2002] (a) **The Indiana**
20 **gaming commission shall adopt the emergency rules required**
21 **under IC 4-31-7.5-11, as added by this act, before December 1,**
22 **2002.**

23 (b) **This SECTION expires December 31, 2002.**

24 SECTION 176. [EFFECTIVE UPON PASSAGE] (a) **The Indiana**
25 **gaming commission shall adopt a resolution authorizing a**
26 **riverboat licensed under IC 4-33 to permit the continuous ingress**
27 **and egress of patrons for the purpose of gambling. The commission**
28 **may exercise any power necessary to implement this act under a**
29 **resolution authorized under this SECTION.**

30 (b) **This SECTION expires January 1, 2003.**

31 SECTION 177. [EFFECTIVE UPON PASSAGE] (a) **If the Indiana**
32 **gaming commission determines that a permit holder has met the**
33 **requirements of this act, the Indiana gaming commission shall**
34 **adopt a resolution authorizing a permit holder to sell pari-mutuel**
35 **pull tabs under IC 4-31-7.5, as added by this act. The commission**
36 **may exercise any power necessary to implement this act under a**
37 **resolution authorized under this SECTION.**

38 (b) **This SECTION expires January 1, 2003."**

- 1 Renumber all SECTIONS consecutively.
 (Reference is to EHB 1001(ss) as printed June 13, 2002.)

Senator SERVER