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# SENATE BILL No. 456

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-33.

**Synopsis:** Riverboat gambling. Expands the definition of a riverboat to include permanently moored barges as well as self-propelled excursion boats. Provides that a riverboat owner may conduct gambling games while the riverboat is docked. Allows the continuous ingress and egress of passengers for the purpose of gambling. Changes the basis for imposing the riverboat admissions tax from the number of persons admitted to the number of persons on board at the time a passenger count is recorded. Provides that except for the daily initial passenger count, passenger counts must be recorded every two hours. Makes it a Class A misdemeanor for a person to knowingly or intentionally aid, induce, or cause a person less than 21 years of age and who is not an employee of the riverboat to enter or attempt to enter the riverboat. Makes it a Class C misdemeanor for a person who is less than 21 years of age and who is not an employee of the riverboat to knowingly or intentionally enter or attempt to enter a riverboat.

**Effective:** May 1, 2000.

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January 10, 2000, read first time and referred to Committee on Public Policy.

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Second Regular Session 111th General Assembly (2000)

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1999 General Assembly.

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# SENATE BILL No. 456



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

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

1 SECTION 1. IC 4-33-2-7 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE MAY 1, 2000]: Sec. 7. "Dock" means the location where  
3 ~~an excursion~~ a riverboat moors for the purpose of embarking  
4 passengers for and disembarking passengers from a ~~gambling~~  
5 ~~excursion~~ **the riverboat.**

6 SECTION 2. IC 4-33-2-15.5 IS ADDED TO THE INDIANA CODE  
7 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE MAY  
8 1, 2000]: **Sec. 15.5. "Patron" means an individual who:**

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

11 SECTION 3. IC 4-33-2-16.5 IS ADDED TO THE INDIANA CODE  
12 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE MAY  
13 1, 2000]: **Sec. 16.5. "Reporting period" means a twenty-four (24)**  
14 **hour increment used by the department to assess taxes under this**  
15 **article commencing at 6 a.m. each day and concluding at 5:59 a.m.**  
16 **the following day.**

17 SECTION 4. IC 4-33-2-17 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE MAY 1, 2000]: Sec. 17. "Riverboat" means  
 2 a self-propelled excursion boat **or permanently moored barge** located  
 3 in a county described in IC 4-33-1-1 on which lawful gambling is  
 4 authorized and licensed under this article.

5 SECTION 5. IC 4-33-4-10 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE MAY 1, 2000]: Sec. 10. The commission  
 7 shall authorize the route of a riverboat and the stops, if any, that the  
 8 riverboat may make **while on a cruise**.

9 SECTION 6. IC 4-33-4-21.2 IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE MAY 1, 2000]: Sec. 21.2. (a) The Indiana  
 11 gaming commission shall require a licensed owner to conspicuously  
 12 display the number of the toll free telephone line described in  
 13 IC 4-33-12-6 in the following locations:

14 (1) On each admission ticket to a riverboat, ~~gambling excursion:~~  
 15 **if admission tickets are issued.**

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

18 (b) The toll free telephone line described in IC 4-33-12-6 must be:

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

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

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

25 SECTION 7. IC 4-33-6-6 IS AMENDED TO READ AS FOLLOWS  
 26 [EFFECTIVE MAY 1, 2000]: Sec. 6. (a) A **riverboat self-propelled**  
 27 **excursion boat** that ~~operates in cruises from~~ a county described in  
 28 IC 4-33-1-1(1) or IC 4-33-1-1(2) must:

29 (1) have a valid certificate of inspection from the United States  
 30 Coast Guard for the carrying of at least five hundred (500)  
 31 passengers; and

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

33 (b) A **riverboat self-propelled excursion boat** that ~~operates cruises~~  
 34 on Patoka Lake must:

35 (1) have the capacity to carry at least five hundred (500)  
 36 passengers;

37 (2) be at least one hundred fifty (150) feet in length; and

38 (3) meet safety standards required by the commission.

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



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1 ~~required under this subsection.~~

2 SECTION 8. IC 4-33-6-9 IS AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE MAY 1, 2000]: Sec. 9. (a) A licensed owner must post  
4 a bond with the commission at least sixty (60) days before the  
5 commencement of **regular gambling on the riverboat.** ~~excursions.~~

6 (b) The bond shall be furnished in:

7 (1) cash or negotiable securities;

8 (2) a surety bond:

9 (A) with a surety company approved by the commission; and

10 (B) guaranteed by a satisfactory guarantor; or

11 (3) an irrevocable letter of credit issued by a banking institution  
12 of Indiana acceptable to the commission.

13 (c) If a bond is furnished in cash or negotiable securities, the  
14 principal shall be placed without restriction at the disposal of the  
15 commission, but income inures to the benefit of the licensee.

16 (d) The bond:

17 (1) is subject to the approval of the commission;

18 (2) must be in an amount that the commission determines will  
19 adequately reflect the amount that a local community will expend  
20 for infrastructure and other facilities associated with a riverboat  
21 operation; and

22 (3) must be payable to the commission as obligee for use in  
23 payment of the licensed owner's financial obligations to the local  
24 community, the state, and other aggrieved parties, as determined  
25 by the rules of the commission.

26 (e) If after a hearing (after at least five (5) days written notice) the  
27 commission determines that the amount of a licensed owner's bond is  
28 insufficient, the licensed owner shall upon written demand of the  
29 commission file a new bond.

30 (f) The commission may require a licensed owner to file a new bond  
31 with a satisfactory surety in the same form and amount if:

32 (1) liability on the old bond is discharged or reduced by judgment  
33 rendered, payment made, or otherwise; or

34 (2) in the opinion of the commission any surety on the old bond  
35 becomes unsatisfactory.

36 (g) If a new bond obtained under subsection (e) or (f) is  
37 unsatisfactory, the commission shall cancel the owner's license. If the  
38 new bond is satisfactorily furnished, the commission shall release in  
39 writing the surety on the old bond from any liability accruing after the  
40 effective date of the new bond.

41 (h) A bond is released on the condition that the licensed owner  
42 remains at the site for which the owner's license is granted for the



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1 lesser of:

2 (1) five (5) years; or

3 (2) the date the commission grants a license to another licensed  
4 owner to operate from the site for which the bond was posted.

5 (i) A licensed owner who does not meet the requirements of  
6 subsection (h) forfeits a bond filed under this section. The proceeds of  
7 a bond that is in default under this subsection are paid to the  
8 commission for the benefit of the local unit from which the riverboat  
9 operated.

10 (j) The total and aggregate liability of the surety on a bond is limited  
11 to the amount specified in the bond and the continuous nature of the  
12 bond may in no event be construed as allowing the liability of the  
13 surety under a bond to accumulate for each successive approval period  
14 during which the bond is in force.

15 (k) A bond filed under this section is released sixty (60) days after:

16 (1) the time has run under subsection (h); and

17 (2) a written request is submitted by the licensed owner.

18 SECTION 9. IC 4-33-6-10 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE MAY 1, 2000]: Sec. 10. (a) An owner's  
20 license issued under this chapter permits the holder to own and operate  
21 one (1) riverboat and equipment for each license.

22 (b) **An owner's license issued under this chapter permits the**  
23 **holder to conduct gambling games authorized under this article**  
24 **while the riverboat is docked and to allow the continuous ingress**  
25 **and egress of passengers for the purposes of gambling.**

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

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

33 SECTION 10. IC 4-33-6-11 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE MAY 1, 2000]: Sec. 11. The commission  
35 may revoke an owner's license if:

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

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

41 SECTION 11. IC 4-33-9-3 IS AMENDED TO READ AS  
42 FOLLOWS [EFFECTIVE MAY 1, 2000]: Sec. 3. (a) Except as

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1 provided in subsection (b), a riverboat ~~excursions~~ **cruise** may not  
2 exceed ~~four (4)~~ **two (2)** hours for a round trip.

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

5 SECTION 12. IC 4-33-9-14 IS AMENDED TO READ AS  
6 FOLLOWS [EFFECTIVE MAY 1, 2000]: Sec. 14. (a) This section  
7 applies only to a riverboat that operates from a county that is  
8 contiguous to the Ohio River.

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

13 SECTION 13. IC 4-33-10-1 IS AMENDED TO READ AS  
14 FOLLOWS [EFFECTIVE MAY 1, 2000]: Sec. 1. (a) A person who  
15 knowingly or intentionally:

16 (1) makes a false statement on an application submitted under this  
17 article;

18 (2) operates a ~~gambling excursion in riverboat on~~ which  
19 wagering is conducted or is to be conducted in a manner other  
20 than the manner required under this article;

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

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

26 (5) wagers or accepts a wager at a location other than a riverboat;  
27 or

28 ~~(5)~~ (6) makes a false statement on an application submitted to the  
29 commission under this article;

30 commits a Class A misdemeanor.

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

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

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

34 (3) **knowingly or intentionally enters or attempts to enter a**  
35 **riverboat;**

36 **commits a Class C misdemeanor.**

37 SECTION 14. IC 4-33-10-5 IS AMENDED TO READ AS  
38 FOLLOWS [EFFECTIVE MAY 1, 2000]: Sec. 5. An action to  
39 prosecute a crime occurring during a gambling ~~excursion on a~~  
40 **riverboat** shall be tried in the county of the dock where the riverboat  
41 is based.

42 SECTION 15. IC 4-33-12-1 IS AMENDED TO READ AS



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1       FOLLOWS [EFFECTIVE MAY 1, 2000]: Sec. 1. **(a)** A tax is imposed  
2       on admissions to ~~gambling excursions~~ **a riverboat** authorized under  
3       this article at a rate of three dollars (\$3) for each ~~person admitted to the~~  
4       ~~gambling excursion~~. **patron who is on board at the time a passenger**  
5       **count is recorded.**

6       **(b) Passenger counts must be recorded one (1) hour after the**  
7       **start of each reporting period and once every two (2) hours**  
8       **thereafter under procedures approved by the commission.**

9       **(c) If the riverboat's schedule as approved by the commission**  
10       **does not provide for the riverboat to be open to the public at the**  
11       **start of the reporting period, passenger counts must be recorded**  
12       **one (1) hour after the riverboat begins admitting patrons during a**  
13       **reporting period, and once every two (2) hours thereafter under**  
14       **procedures approved by the commission.**

15       **(d) This admission tax is imposed upon the licensed owner**  
16       **conducting the ~~gambling excursion~~: of the riverboat.**

17       SECTION 16. THE FOLLOWING ARE REPEALED [EFFECTIVE  
18       MAY 1, 2000]: IC 4-33-2-8; IC 4-33-9-2; IC 4-33-12-2.

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