

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

# HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

1           Page 99, delete lines 31 through 48, begin a new paragraph and  
2           insert:  
3           "SECTION 38. IC 4-35-7-12, AS AMENDED BY P.L.142-2009,  
4           SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5           JULY 1, 2011]: Sec. 12. (a) The Indiana horse racing commission shall  
6           enforce the requirements of this section.  
7           (b) ~~Except as provided in subsections (j) and (k);~~ **For state fiscal**  
8           **years 2011 and 2015 and each state fiscal year thereafter,** a licensee  
9           shall before the fifteenth day of each month devote to the gaming  
10          integrity fund, horse racing purses, and to horsemen's associations an  
11          amount equal to fifteen percent (15%) of the adjusted gross receipts of  
12          the slot machine wagering from the previous month at the licensee's  
13          racetrack. The Indiana horse racing commission may not use any of this  
14          money for any administrative purpose or other purpose of the Indiana  
15          horse racing commission, and the entire amount of the money shall be  
16          distributed as provided in this section. A licensee shall pay the first two  
17          hundred fifty thousand dollars (\$250,000) distributed under this section  
18          in a state fiscal year to the Indiana horse racing commission for deposit  
19          in the gaming integrity fund established by IC 4-35-8.7-3. After this  
20          money has been distributed to the Indiana horse racing commission, a  
21          licensee shall distribute the remaining money devoted to horse racing  
22          purses and to horsemen's associations under this subsection as follows:  
23                  (1) Five-tenths percent (0.5%) shall be transferred to horsemen's  
24                  associations for equine promotion or welfare according to the

- 1 ratios specified in subsection (e).  
 2 (2) Two and five-tenths percent (2.5%) shall be transferred to  
 3 horsemen's associations for backside benevolence according to  
 4 the ratios specified in subsection (e).  
 5 (3) Ninety-seven percent (97%) shall be distributed to promote  
 6 horses and horse racing as provided in subsection (d).

7 **Section 12.1 of this chapter applies to state fiscal years 2012, 2013,**  
 8 **and 2014.**

9 (c) A horsemen's association shall expend the amounts distributed  
 10 to the horsemen's association under subsection (b)(1) through (b)(2) for  
 11 a purpose promoting the equine industry or equine welfare or for a  
 12 benevolent purpose that the horsemen's association determines is in the  
 13 best interests of horse racing in Indiana for the breed represented by the  
 14 horsemen's association. Expenditures under this subsection are subject  
 15 to the regulatory requirements of subsection (f).

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

- 18 (1) Forty-six percent (46%) for thoroughbred purposes as follows:  
 19 (A) Sixty percent (60%) for the following purposes:  
 20 (i) Ninety-seven percent (97%) for thoroughbred purses.  
 21 (ii) Two and four-tenths percent (2.4%) to the horsemen's  
 22 association representing thoroughbred owners and trainers.  
 23 (iii) Six-tenths percent (0.6%) to the horsemen's association  
 24 representing thoroughbred owners and breeders.  
 25 (B) Forty percent (40%) to the breed development fund  
 26 established for thoroughbreds under IC 4-31-11-10.  
 27 (2) Forty-six percent (46%) for standardbred purposes as follows:  
 28 (A) Fifty percent (50%) for the following purposes:  
 29 (i) Ninety-six and five-tenths percent (96.5%) for  
 30 standardbred purses.  
 31 (ii) Three and five-tenths percent (3.5%) to the horsemen's  
 32 association representing standardbred owners and trainers.  
 33 (B) Fifty percent (50%) to the breed development fund  
 34 established for standardbreds under IC 4-31-11-10.  
 35 (3) Eight percent (8%) for quarter horse purposes as follows:  
 36 (A) Seventy percent (70%) for the following purposes:  
 37 (i) Ninety-five percent (95%) for quarter horse purses.  
 38 (ii) Five percent (5%) to the horsemen's association  
 39 representing quarter horse owners and trainers.  
 40 (B) Thirty percent (30%) to the breed development fund  
 41 established for quarter horses under IC 4-31-11-10.

42 Expenditures under this subsection are subject to the regulatory  
 43 requirements of subsection (f).

44 (e) Money distributed under subsection (b)(1) and (b)(2) shall be  
 45 allocated as follows:

- 46 (1) Forty-six percent (46%) to the horsemen's association

- 1 representing thoroughbred owners and trainers.
- 2 (2) Forty-six percent (46%) to the horsemen's association
- 3 representing standardbred owners and trainers.
- 4 (3) Eight percent (8%) to the horsemen's association representing
- 5 quarter horse owners and trainers.
- 6 (f) Money distributed under this section may not be expended unless
- 7 the expenditure is for a purpose authorized in this section and is either
- 8 for a purpose promoting the equine industry or equine welfare or is for
- 9 a benevolent purpose that is in the best interests of horse racing in
- 10 Indiana or the necessary expenditures for the operations of the
- 11 horsemen's association required to implement and fulfill the purposes
- 12 of this section. The Indiana horse racing commission may review any
- 13 expenditure of money distributed under this section to ensure that the
- 14 requirements of this section are satisfied. The Indiana horse racing
- 15 commission shall adopt rules concerning the review and oversight of
- 16 money distributed under this section and shall adopt rules concerning
- 17 the enforcement of this section. The following apply to a horsemen's
- 18 association receiving a distribution of money under this section:
- 19 (1) The horsemen's association must annually file a report with
- 20 the Indiana horse racing commission concerning the use of the
- 21 money by the horsemen's association. The report must include
- 22 information as required by the commission.
- 23 (2) The horsemen's association must register with the Indiana
- 24 horse racing commission.
- 25 (g) The commission shall provide the Indiana horse racing
- 26 commission with the information necessary to enforce this section.
- 27 (h) The Indiana horse racing commission shall investigate any
- 28 complaint that a licensee has failed to comply with the horse racing
- 29 purse requirements set forth in this section. If, after notice and a
- 30 hearing, the Indiana horse racing commission finds that a licensee has
- 31 failed to comply with the purse requirements set forth in this section,
- 32 the Indiana horse racing commission may:
- 33 (1) issue a warning to the licensee;
- 34 (2) impose a civil penalty that may not exceed one million dollars
- 35 (\$1,000,000); or
- 36 (3) suspend a meeting permit issued under IC 4-31-5 to conduct
- 37 a pari-mutuel wagering horse racing meeting in Indiana.
- 38 (i) A civil penalty collected under this section must be deposited in
- 39 the state general fund.
- 40 (j) For a state fiscal year beginning after June 30, 2008, and ending
- 41 before July 1, 2009, the amount of money dedicated to the purposes
- 42 described in subsection (b) for a particular state fiscal year is equal to
- 43 the lesser of:
- 44 (1) fifteen percent (15%) of the licensee's adjusted gross receipts
- 45 for the state fiscal year; or
- 46 (2) eighty-five million dollars (\$85,000,000).

1 If fifteen percent (15%) of a licensee's adjusted gross receipts for the  
 2 state fiscal year exceeds the amount specified in subdivision (2); the  
 3 licensee shall transfer the amount of the excess to the commission for  
 4 deposit in the state general fund. The licensee shall adjust the transfers  
 5 required under this section in the final month of the state fiscal year to  
 6 comply with the requirements of this subsection.

7 (k) For a state fiscal year beginning after June 30, 2009; the amount  
 8 of money dedicated to the purposes described in subsection (b) for a  
 9 particular state fiscal year is equal to the lesser of:

10 (1) fifteen percent (15%) of the licensee's adjusted gross receipts  
 11 for the state fiscal year; or

12 (2) the amount dedicated to the purposes described in subsection  
 13 (b) in the previous state fiscal year increased by a percentage that  
 14 does not exceed the percent of increase in the United States  
 15 Department of Labor Consumer Price Index during the year  
 16 preceding the year in which an increase is established.

17 If fifteen percent (15%) of a licensee's adjusted gross receipts for the  
 18 state fiscal year exceeds the amount specified in subdivision (2); the  
 19 licensee shall transfer the amount of the excess to the commission for  
 20 deposit in the state general fund. The licensee shall adjust the transfers  
 21 required under this section in the final month of the state fiscal year to  
 22 comply with the requirements of this subsection.

23 SECTION 39. IC 4-35-7-12.1 IS ADDED TO THE INDIANA  
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 25 [EFFECTIVE JULY 1, 2011]: **Sec. 12.1. (a) This section applies to**  
 26 **state fiscal years 2012, 2013, and 2014.**

27 (b) A licensee shall before the fifteenth day of each month  
 28 devote to the gaming integrity fund, horse racing purses,  
 29 horsemen's associations, and the state general fund an amount  
 30 equal to fifteen percent (15%) of the adjusted gross receipts of the  
 31 slot machine wagering from the previous month at the licensee's  
 32 racetrack. The Indiana horse racing commission may not use any  
 33 of this money for any administrative purpose or other purpose of  
 34 the Indiana horse racing commission, and the entire amount of the  
 35 money shall be distributed as provided in this section. A licensee  
 36 shall pay the first two hundred fifty thousand dollars (\$250,000)  
 37 distributed under this section in a state fiscal year to the Indiana  
 38 horse racing commission for deposit in the gaming integrity fund  
 39 established by IC 4-35-8.7-3.

40 (c) After paying the amount required by subsection (b) to the  
 41 Indiana horse racing commission for deposit in the gaming  
 42 integrity fund, the amount remaining for the other purposes  
 43 described in subsection (b) must be allocated as follows:

44 (1) Sixty-six and seven-tenths percent (66.7%) to be  
 45 distributed for horse racing purses and horsemen's  
 46 associations.

47 (2) Thirty-three and three-tenths (33.3%) percent to be paid

- 1           **to the department for deposit in the state general fund.**
- 2           **(d) Amounts allocated to horse racing purposes under**  
3           **subsection (c) must be distributed for the same purposes and in the**  
4           **same proportions that money is distributed under section 12(b) of**  
5           **this chapter with respect to the proceeds of slot machine wagering**  
6           **occurring in state fiscal year 2011. The money distributed to**  
7           **promote horses and horse racing under this subsection must be**  
8           **distributed for the same purposes and in the same proportions that**  
9           **money is distributed under section 12(d) of this chapter with**  
10           **respect to the proceeds of slot machine wagering occurring in state**  
11           **fiscal year 2011.**
- 12           **(e) Section 12(e) of this chapter applies to amounts distributed**  
13           **under subsection (d) for the purposes described in section 12(b)(1)**  
14           **and 12(b)(2) of this chapter.**
- 15           **(f) All restrictions on the use of money, registration**  
16           **requirements, and reporting requirements set forth in section 12**  
17           **of this chapter with respect to distributions for horse racing**  
18           **purposes in state fiscal year 2011 apply to the distributions made**  
19           **under this section.**
- 20           **(g) Section 12(h) of this chapter applies to a licensee with respect**  
21           **to distributions for purses made under this section. Any civil**  
22           **penalty imposed because of a licensee's noncompliance with the**  
23           **purse requirements set forth in section 12 of this chapter must be**  
24           **deposited in the state general fund. The commission shall provide**  
25           **the Indiana horse racing commission with the information**  
26           **necessary to enforce this section.**
- 27           **(h) This section expires July 1, 2015."**
- 28           Delete pages 100 through 102.
- 29           Page 103, delete lines 1 through 10.
- 30           Page 103, line 15, delete "Fifteen percent (15%) of the money  
31           deposited in the fund".
- 32           Page 103, delete lines 16 through 17.
- 33           Renumber all SECTIONS consecutively.  
              (Reference is to HB 1001 as printed February 21, 2011.)

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Representative Lehe