

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WITHDRAWN	Noes _____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, 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 provided in the
44 following table:

45 State Fiscal Year	Horse Racing Purposes	State General 46 Fund
47 2012	80%	20%

1	2013	86.67%	13.33%
2	2014	93.33%	6.67%

3 **(d) Amounts allocated to horse racing purposes under**
4 **subsection (c) must be distributed for the same purposes and in the**
5 **same proportions that money is distributed under section 12(b) of**
6 **this chapter with respect to the proceeds of slot machine wagering**
7 **occurring in state fiscal year 2011. The money distributed to**
8 **promote horses and horse racing under this subsection must be**
9 **distributed for the same purposes and in the same proportions that**
10 **money is distributed under section 12(d) of this chapter with**
11 **respect to the proceeds of slot machine wagering occurring in state**
12 **fiscal year 2011.**

13 **(e) Section 12(e) of this chapter applies to amounts distributed**
14 **under subsection (d) for the purposes described in section 12(b)(1)**
15 **and 12(b)(2) of this chapter.**

16 **(f) All restrictions on the use of money, registration**
17 **requirements, and reporting requirements set forth in section 12**
18 **of this chapter with respect to distributions for horse racing**
19 **purposes in state fiscal year 2011 apply to the distributions made**
20 **under this section.**

21 **(g) Section 12(h) of this chapter applies to a licensee with respect**
22 **to distributions for purses made under this section. Any civil**
23 **penalty imposed because of a licensee's noncompliance with the**
24 **purse requirements set forth in section 12 of this chapter must be**
25 **deposited in the state general fund. The commission shall provide**
26 **the Indiana horse racing commission with the information**
27 **necessary to enforce this section.**

28 **(h) This section expires July 1, 2015."**

29 Delete pages 100 through 102.

30 Page 103, delete lines 1 through 10.

31 Page 103, line 15, delete "Fifteen percent (15%) of the money
32 deposited in the fund".

33 Page 103, delete lines 16 through 17.

34 Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed February 21, 2001.)

Representative Lehe