

SENATE BILL No. 41

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-33.

Synopsis: Gary riverboats. Permits a licensed owner who operates a riverboat in Gary to submit to the gaming commission a plan for the construction of an inland casino. Provides that not more than one riverboat gambling operation may be relocated. Makes conforming changes. Removes obsolete provisions concerning the original riverboat licensing process.

Effective: July 1, 2011.

Rogers

January 5, 2011, read first time and referred to Committee on Public Policy.

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First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

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SENATE BILL No. 41



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

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

1 SECTION 1. IC 4-33-2-7.5 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7.5. "Flexible
3 scheduling" refers to the practice of conducting gambling games and
4 allowing the continuous ingress and egress of ~~passengers~~ **patrons** for
5 the purpose of gambling. ~~while a riverboat is docked:~~

6 SECTION 2. IC 4-33-2-17, AS AMENDED BY P.L.96-2010,
7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2011]: Sec. 17. "Riverboat" means ~~either~~ **any** of the following
9 on which lawful gambling is authorized under this article:

10 (1) A self-propelled excursion boat located in a county described
11 in IC 4-33-1-1(1) or IC 4-33-1-1(2) that complies with
12 IC 4-33-6-6(a).

13 (2) A casino located in a historic hotel district.

14 (3) **A casino located in Gary.**

15 SECTION 3. IC 4-33-2-20 IS ADDED TO THE INDIANA CODE
16 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
17 1, 2011]: **Sec. 20. "Home" means the city or county that is**



1 **designated as the home of a riverboat by IC 4-33-9-17.**

2 SECTION 4. IC 4-33-4-1 IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2011]: Sec. 1. (a) The commission has the
4 following powers and duties for the purpose of administering,
5 regulating, and enforcing the system of riverboat gambling established
6 under this article:

- 7 (1) All powers and duties specified in this article.
- 8 (2) All powers necessary and proper to fully and effectively
9 execute this article.
- 10 (3) Jurisdiction and supervision over the following:
 - 11 (A) All riverboat gambling operations in Indiana.
 - 12 (B) All persons on riverboats where gambling operations are
13 conducted.
- 14 (4) Investigate and reinvestigate applicants and license holders
15 and determine the eligibility of applicants for licenses or
16 operating agent contracts.
- 17 (5) Select among competing applicants the applicants that
18 promote the most economic development in a home dock area and
19 that best serve the interests of the citizens of Indiana.
- 20 (6) Take appropriate administrative enforcement or disciplinary
21 action against a licensee or an operating agent.
- 22 (7) Investigate alleged violations of this article.
- 23 (8) Establish fees for licenses issued under this article.
- 24 (9) Adopt appropriate standards for the design, appearance,
25 aesthetics, and construction for riverboats and facilities.
- 26 (10) Conduct hearings.
- 27 (11) Issue subpoenas for the attendance of witnesses and
28 subpoenas duces tecum for the production of books, records, and
29 other relevant documents.
- 30 (12) Administer oaths and affirmations to the witnesses.
- 31 (13) Prescribe a form to be used by an operating agent or a
32 licensee involved in the ownership or management of gambling
33 operations as an application for employment by potential
34 employees.
- 35 (14) Revoke, suspend, or renew licenses issued under this article.
- 36 (15) Hire employees to gather information, conduct
37 investigations, and carry out other tasks under this article.
- 38 (16) Take any reasonable or appropriate action to enforce this
39 article.

40 (b) Applicants and license holders shall reimburse the commission
41 for costs related to investigations and reinvestigations conducted under
42 subsection (a)(4).

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1 SECTION 5. IC 4-33-4-13 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. (a) This section
3 does not apply to a riverboat:

- 4 (1) located in a historic hotel district; **or**
- 5 (2) **described in IC 4-33-2-17(3).**

6 (b) After consulting with the United States Army Corps of
7 Engineers, the commission may do the following:

- 8 (1) Determine the waterways that are navigable waterways for
9 purposes of this article.
- 10 (2) Determine the navigable waterways that are suitable for the
11 operation of riverboats under this article.

12 (c) In determining the navigable waterways on which riverboats may
13 operate, the commission shall do the following:

- 14 (1) Obtain any required approvals from the United States Army
15 Corps of Engineers for the operation of riverboats on those
16 waterways.
- 17 (2) Consider the economic benefit that riverboat gambling
18 provides to Indiana.
- 19 (3) Seek to ensure that all regions of Indiana share in the
20 economic benefits of riverboat gambling.

21 SECTION 6. IC 4-33-4-17 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 17. (a) The commission
23 shall decide promptly and in reasonable order all license applications.

24 ~~(b) Notwithstanding any provision of this article, no owner's license
25 may be granted for any riverboat that is not to be docked in the city
26 described under IC 4-33-6-1(a)(1) until the earlier of:~~

- 27 ~~(1) the issuance of an owner's license for a riverboat that is to be
28 docked in the city described under IC 4-33-6-1(a)(1); or~~
- 29 ~~(2) September 1, 1994.~~

30 ~~(c) (b)~~ A party aggrieved by an action of the commission denying,
31 suspending, revoking, restricting, or refusing the renewal of a license
32 may request a hearing before the commission. A request for a hearing
33 must be made to the commission in writing not more than ten (10) days
34 after service of notice of the action of the commission.

35 ~~(d) (c)~~ The commission shall serve notice of the commission's
36 actions to a party by personal delivery or by certified mail. Notice
37 served by certified mail is considered complete on the business day
38 following the date of the mailing.

39 ~~(e) (d)~~ The commission shall conduct all requested hearings
40 promptly and in reasonable order.

41 SECTION 7. IC 4-33-5-1 IS AMENDED TO READ AS FOLLOWS
42 [EFFECTIVE JULY 1, 2011]: Sec. 1. An applicant for a license or an

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1 operating agent contract under this article must provide the following
2 information to the commission:

3 (1) The name, business address, and business telephone number
4 of the applicant.

5 (2) An identification of the applicant.

6 (3) The following information for an applicant that is not an
7 individual:

8 (A) The state of incorporation or registration.

9 (B) The names of all corporate officers.

10 (C) The identity of the following:

11 (i) Any person in which the applicant has an equity interest
12 of at least one percent (1%) of all shares. The identification
13 must include the state of incorporation or registration if
14 applicable. However, an applicant that has a pending
15 registration statement filed with the Securities and Exchange
16 Commission is not required to provide information under
17 this item.

18 (ii) The shareholders or participants of the applicant. An
19 applicant that has a pending registration statement filed with
20 the Securities and Exchange Commission is required to
21 provide only the names of persons holding an interest of
22 more than one percent (1%) of all shares.

23 (4) An identification of any business, including the state of
24 incorporation or registration if applicable, in which an applicant
25 or the spouse or children of an applicant has an equity interest of
26 more than one percent (1%) of all shares.

27 (5) If the applicant has been indicted, been convicted, pleaded
28 guilty or nolo contendere, or forfeited bail concerning a criminal
29 offense other than a traffic violation under the laws of any
30 jurisdiction. The applicant must include the following information
31 under this subdivision:

32 (A) The name and location of the following:

33 (i) The court.

34 (ii) The arresting agency.

35 (iii) The prosecuting agency.

36 (B) The case number.

37 (C) The date and type of offense.

38 (D) The disposition of the case.

39 (E) The location and length of incarceration.

40 (6) If the applicant has had a license or certificate issued by a
41 licensing authority in Indiana or any other jurisdiction denied,
42 restricted, suspended, revoked, or not renewed. An applicant must

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- 1 provide the following information under this subdivision:
 2 (A) A statement describing the facts and circumstances
 3 concerning the denial, restriction, suspension, revocation, or
 4 nonrenewal.
 5 (B) The date each action described in clause (A) was taken.
 6 (C) The reason each action described in clause (A) was taken.
 7 (7) If the applicant has:
 8 (A) filed or had filed against the applicant a proceeding in
 9 bankruptcy; or
 10 (B) been involved in a formal process to adjust, defer,
 11 suspend, or work out the payment of a debt;
 12 including the date of filing, the name and location of the court,
 13 and the case and number of the disposition.
 14 (8) If the applicant has filed or been served with a complaint or
 15 notice filed with a public body concerning:
 16 (A) a delinquency in the payment of; or
 17 (B) a dispute over a filing concerning the payment of;
 18 a tax required under federal, state, or local law, including the
 19 amount, type of tax, the taxing agency, and times involved.
 20 (9) A statement listing the names and titles of public officials or
 21 officers of units of government and relatives of the public officials
 22 or officers who directly or indirectly:
 23 (A) have a financial interest in;
 24 (B) have a beneficial interest in;
 25 (C) are the creditors of;
 26 (D) hold a debt instrument issued by; or
 27 (E) have an interest in a contractual or service relationship
 28 with;
 29 an applicant.
 30 (10) If an applicant for an operating agent contract or an owner's
 31 or a supplier's license has directly or indirectly made a political
 32 contribution, loan, donation, or other payment to a candidate or an
 33 office holder in Indiana not more than five (5) years before the
 34 date the applicant filed the application. An applicant must provide
 35 information concerning the amount and method of a payment
 36 described in this subdivision.
 37 (11) The name and business telephone number of the attorney
 38 who will represent the applicant in matters before the
 39 commission.
 40 (12) A description of a proposed or an approved riverboat gaming
 41 operation, including the following information:
 42 (A) The type of ~~boat~~ **riverboat**.

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- 1 (B) The **site or** home dock location **of the riverboat.**
- 2 (C) The expected economic benefit to local communities.
- 3 (D) The anticipated or actual number of employees.
- 4 (E) Any statements from the applicant concerning compliance
- 5 with federal and state affirmative action guidelines.
- 6 (F) Anticipated or actual admissions.
- 7 (G) Anticipated or actual adjusted gross gaming receipts.
- 8 (13) A description of the product or service to be supplied by the
- 9 applicant if the applicant has applied for a supplier's license.
- 10 (14) The following information from each licensee or operating
- 11 agent involved in the ownership or management of gambling
- 12 operations:
- 13 (A) An annual balance sheet.
- 14 (B) An annual income statement.
- 15 (C) A list of the stockholders or other persons having at least
- 16 a one percent (1%) beneficial interest in the gambling
- 17 activities of the person who has been issued the owner's
- 18 license or operating agent contract.
- 19 (D) Any other information the commission considers
- 20 necessary for the effective administration of this article.

21 SECTION 8. IC 4-33-6-1, AS AMENDED BY P.L.233-2007,
 22 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2011]: Sec. 1. (a) The commission may issue to a person a
 24 license to own a riverboat subject to the numerical and geographical
 25 limitation of owner's licenses under this section, section 3.5 of this
 26 chapter, and IC 4-33-4-17. However, not more than ten (10) owner's
 27 licenses may be in effect at any time. ~~Except as provided in subsection~~
 28 ~~(b)~~; Those ten (10) licenses are as follows:

- 29 (1) Two (2) licenses for a ~~riverboat that operates from the largest~~
 30 ~~city located in the counties described under IC 4-33-1-1(1): two~~
 31 **(2) riverboats that are authorized to operate in Gary in**
 32 **accordance with either of the following:**
- 33 **(A) Two (2) riverboats may be operated from docks on**
 34 **Lake Michigan at the sites approved before January 1,**
 35 **2011.**
- 36 **(B) Two (2) riverboats may be operated as follows:**
- 37 **(i) One (1) riverboat may be operated from a dock on**
 38 **Lake Michigan at a site approved before January 1,**
 39 **2011.**
- 40 **(ii) One (1) riverboat may operated at an inland location**
 41 **within the city limits at a facility approved after June 30,**
 42 **2011, under section 23 of this chapter.**

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- 1 (2) One (1) license for a riverboat that operates from ~~the second~~
 2 ~~largest city located in the counties described under~~
 3 ~~IC 4-33-1-1(1): **Hammond.**~~
- 4 (3) One (1) license for a riverboat that operates from ~~the third~~
 5 ~~largest city located in the counties described under~~
 6 ~~IC 4-33-1-1(1): **East Chicago.**~~
- 7 (4) One (1) license for a city located in the counties described
 8 under IC 4-33-1-1(1). This license may not be issued to a city
 9 described in subdivisions (1) through (3): **a riverboat that**
 10 **operates from Michigan City.**
- 11 (5) A total of five (5) licenses for riverboats that operate upon the
 12 Ohio River from the following counties:
- 13 (A) Vanderburgh County.
 - 14 (B) Harrison County.
 - 15 (C) Switzerland County.
 - 16 (D) Ohio County.
 - 17 (E) Dearborn County.
- 18 The commission may not issue a license to an applicant if the
 19 issuance of the license would result in more than one (1) riverboat
 20 operating from a county described in this subdivision.
- 21 ~~(b) If a city described in subsection (a)(2) or (a)(3) conducts two (2)~~
 22 ~~elections under section 20 of this chapter, and the voters of the city do~~
 23 ~~not vote in favor of permitting riverboat gambling at either of those~~
 24 ~~elections, the license assigned to that city under subsection (a)(2) or~~
 25 ~~(a)(3) may be issued to any city that:~~
- 26 ~~(1) does not already have a riverboat operating from the city; and~~
 - 27 ~~(2) is located in a county described in IC 4-33-1-1(1).~~
- 28 ~~(c)~~ **(b)** In addition to its power to issue owner's licenses under
 29 subsection (a), the commission may also enter into a contract under
 30 IC 4-33-6.5 with respect to the operation of one (1) riverboat on behalf
 31 of the commission in a historic hotel district.
- 32 ~~(d)~~ **(c)** A person holding an owner's license may not move the
 33 person's riverboat from the county in which the riverboat was docked
 34 on January 1, 2007, to any other county.
- 35 SECTION 9. IC 4-33-6-4 IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2011]: Sec. 4. (a) In determining whether to
 37 grant an owner's license to an applicant, the commission shall consider
 38 the following:
- 39 (1) The character, reputation, experience, and financial integrity
 40 of the following:
 - 41 (A) The applicant.
 - 42 (B) A person that:

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- 1 (i) directly or indirectly controls the applicant; or
- 2 (ii) is directly or indirectly controlled by the applicant or by
- 3 a person that directly or indirectly controls the applicant.
- 4 (2) The facilities or proposed facilities for the conduct of
- 5 riverboat gambling.
- 6 (3) The highest prospective total revenue to be collected by the
- 7 state from the conduct of riverboat gambling.
- 8 (4) The good faith affirmative action plan of each applicant to
- 9 recruit, train, and upgrade minorities in all employment
- 10 classifications.
- 11 (5) The financial ability of the applicant to purchase and maintain
- 12 adequate liability and casualty insurance.
- 13 (6) If the applicant has adequate capitalization to provide and
- 14 maintain a riverboat for the duration of the license.
- 15 (7) The extent to which the applicant exceeds or meets other
- 16 standards adopted by the commission.

17 **(b) This subsection does not apply to:**

- 18 **(1) a licensed owner constructing a new riverboat under**
- 19 **section 23 of this chapter; or**
- 20 **(2) a person applying for an owner's license to assume control**
- 21 **of a riverboat on which gambling games have been conducted**
- 22 **under an owner's license issued to another person.**

23 In an application for an owner's license, the applicant must submit to
24 the commission a proposed design of the riverboat and the dock. The
25 commission may not grant a license to an applicant if the commission
26 determines that it will be difficult or unlikely for the riverboat to depart
27 from the dock.

28 SECTION 10. IC 4-33-6-5 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. **(a) This section**
30 **applies only to an application concerning a riverboat described in**
31 **IC 4-33-2-17(1).**

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

35 SECTION 11. IC 4-33-6-6, AS AMENDED BY P.L.170-2005,
36 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2011]: Sec. 6. **(a) Except as provided in subsection (c), a**
38 **riverboat that operates in a county described in IC 4-33-1-1(1) or**
39 **IC 4-33-1-1(2) must:**

- 40 (1) have either:
- 41 (A) a valid certificate of inspection from the United States
- 42 Coast Guard for the carrying of at least five hundred (500)

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1 passengers; or
2 (B) a valid certificate of compliance with marine structural and
3 life safety standards determined by the commission; and
4 (2) be at least one hundred fifty (150) feet in length.

5 (b) This subsection applies only to a riverboat that operates on the
6 Ohio River. A riverboat must replicate, as nearly as possible, historic
7 Indiana steamboat passenger vessels of the nineteenth century.
8 However, steam propulsion or overnight lodging facilities are not
9 required under this subsection.

10 **(c) A riverboat constructed under section 23 of this chapter**
11 **must comply with all applicable building codes and any**
12 **construction and safety requirements imposed by the commission.**

13 SECTION 12. IC 4-33-6-10 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. (a) An owner's
15 license issued under this chapter permits the holder to own and operate
16 one (1) riverboat and equipment for each license.

17 (b) The holder of an owner's license issued under this chapter may
18 implement flexible scheduling for the operation of the holder's
19 riverboat under section 21 of this chapter.

20 (c) **Except as provided in subsections (d) and (e),** an owner's
21 license issued under this chapter must specify the place where the
22 riverboat must operate and dock. ~~However,~~

23 (d) The commission may permit ~~the~~ a riverboat to dock at a
24 temporary dock in the applicable city for a specific period of time not
25 to exceed one (1) year after the owner's license is issued.

26 (e) **An owner's license issued with respect to a riverboat**
27 **constructed under section 23 of this chapter must specify the site**
28 **of the riverboat.**

29 ~~(d)~~ (f) An owner's initial license expires five (5) years after the
30 effective date of the license.

31 SECTION 13. IC 4-33-6-18 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 18. (a) This subsection
33 applies to cities described in section 1(a)(1) through 1(a)(4) ~~or section~~
34 ~~(1)(b)~~ of this chapter. The commission may not issue a license
35 authorizing a riverboat to dock in a city unless the legislative body of
36 the city has approved an ordinance permitting the docking of riverboats
37 in the city.

38 (b) This subsection applies to a county described in section 1(a)(5)
39 of this chapter if the largest city in the county is contiguous to the Ohio
40 River. The commission may not issue a license authorizing a riverboat
41 to dock in the county unless an ordinance permitting the docking of
42 riverboats in the county has been approved by the legislative body of

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1 the largest city in the county. The license must specify that the home
2 dock of the riverboat is to be located in the largest city in the county.

3 (c) This subsection applies to a county described in section 1(a)(5)
4 of this chapter if the largest city in the county is not contiguous to the
5 Ohio River. The commission may not issue a license authorizing a
6 riverboat to dock in the county unless an ordinance permitting the
7 docking of riverboats in the county has been approved by the county
8 fiscal body.

9 (d) This subsection applies to a county in which a historic hotel
10 district is located. The commission may not enter into a contract under
11 IC 4-33-6.5 for the operation of a riverboat in the county unless an
12 ordinance permitting the **docking operation** of riverboats in the county
13 has been approved by the county fiscal body.

14 **(e) An ordinance adopted before January 1, 2011, authorizing**
15 **a riverboat to dock in a city is sufficient to authorize the operation**
16 **of a riverboat described in IC 4-33-2-17(3) in the city.**

17 SECTION 14. IC 4-33-6-21 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 21. (a) A licensed
19 owner may submit a plan for flexible scheduling to the commission by
20 a date designated by the commission. Upon receipt of an appropriate
21 plan, the commission shall authorize flexible scheduling and the
22 licensed owner shall implement the flexible scheduling plan by the date
23 designated by the commission.

24 (b) A licensed owner that:
25 (1) submits a plan for flexible scheduling to the commission may
26 include provisions; or
27 (2) has implemented a flexible scheduling plan may amend the
28 plan to include provisions;
29 to conduct gambling operations for up to twenty-four (24) hours a day.
30 Upon receipt of a plan or an amendment to a plan concerning operating
31 hours, the commission shall authorize the licensed owner to implement
32 the plan or amendment for the days and hours specified in the plan or
33 amendment. The licensed owner shall implement the provisions related
34 to operating days and hours by the date designated by the commission.
35 If the licensed owner fails or ceases to operate in accordance with the
36 authorized provisions concerning operating days and hours, the
37 commission may rescind the authorization.

38 **(c) Notwithstanding subsection (a), a licensed owner operating**
39 **a riverboat described in IC 4-33-2-17(3) shall implement flexible**
40 **scheduling.**

41 SECTION 15. IC 4-33-6-23 IS ADDED TO THE INDIANA CODE
42 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

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1 1, 2011]: **Sec. 23. (a) This section applies only to a licensed owner**
2 **that operates a riverboat gambling operation in Gary.**

3 (b) A licensed owner may submit to the commission a plan for
4 the construction of an inland casino within the city limits of the city
5 of Gary. The plan must include the proposed design of the casino
6 and any related facilities and amenities.

7 (c) If the commission determines that the plan:
8 (1) promotes economic development within the city of Gary;
9 and
10 (2) satisfies the requirements of this section;
11 the commission shall approve the licensed owner's plan. However,
12 not more than one (1) riverboat gambling operation may be
13 relocated under this section.

14 (d) The commission shall evaluate an inland casino plan
15 submitted under this section using the following criteria:

- 16 (1) The proposed facilities of the casino and any related
17 facilities and amenities.
- 18 (2) The highest prospective total revenue to be collected by the
19 state from the conduct of gambling at the casino.
- 20 (3) The good faith affirmative action plan of the licensed
21 owner to recruit, train, and upgrade minorities in all
22 employment classifications.
- 23 (4) The financial ability of the licensed owner to purchase and
24 maintain adequate liability and casualty insurance.
- 25 (5) If the applicant has adequate capitalization to provide and
26 maintain a casino for the duration of the license.
- 27 (6) The extent to which the applicant exceeds or meets other
28 standards adopted by the commission.

29 SECTION 16. IC 4-33-9-17 IS ADDED TO THE INDIANA CODE
30 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
31 1, 2011]: **Sec. 17. The following are designated as the homes of each**
32 **riverboat operating under this article:**

- 33 (1) The city in which a riverboat described in IC 4-33-2-17(1)
34 is docked if the riverboat is docked in:
 - 35 (A) a city adjacent to Lake Michigan; or
 - 36 (B) the largest city of a county adjacent to the Ohio River.
- 37 (2) The county in which a riverboat described in
38 IC 4-33-2-17(1) is docked if the riverboat:
 - 39 (A) is docked in a county that is adjacent to the Ohio
40 River; but
 - 41 (B) not docked in the largest city of that county.
- 42 (3) The county in which the riverboat described in

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1 **IC 4-33-2-17(2) is located.**
2 **(4) The city in which the riverboat described in**
3 **IC 4-33-2-17(3) is located.**

4 SECTION 17. IC 4-33-11-2 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. An appeal of a final
6 rule or order of the commission may be commenced under IC 4-21.5 in
7 the circuit court of the county containing the dock ~~where~~ **or site of** the
8 riverboat. ~~is based:~~

9 SECTION 18. IC 4-33-13-5, AS AMENDED BY P.L.96-2010,
10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2011]: Sec. 5. (a) This subsection does not apply to tax
12 revenue remitted by an operating agent operating a riverboat in a
13 historic hotel district. After funds are appropriated under section 4 of
14 this chapter, each month the treasurer of state shall distribute the tax
15 revenue deposited in the state gaming fund under this chapter to the
16 following:

17 (1) The first thirty-three million dollars (\$33,000,000) of tax
18 revenues collected under this chapter shall be set aside for
19 revenue sharing under subsection (e).

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

23 (A) to the city that is designated as the home ~~dock~~ of the
24 riverboat from which the tax revenue was collected, in the case
25 **of a riverboat located in:**

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

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

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

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1 (b) This subsection applies only to tax revenue remitted by an
2 operating agent operating a riverboat in a historic hotel district. After
3 funds are appropriated under section 4 of this chapter, each month the
4 treasurer of state shall distribute the tax revenue remitted by the
5 operating agent under this chapter as follows:

6 (1) Thirty-seven and one-half percent (37.5%) shall be paid to the
7 state general fund.

8 (2) Nineteen percent (19%) shall be paid to the West Baden
9 Springs historic hotel preservation and maintenance fund
10 established by IC 36-7-11.5-11(b). However, at any time the
11 balance in that fund exceeds twenty million dollars
12 (\$20,000,000), the amount described in this subdivision shall be
13 paid to the state general fund.

14 (3) Eight percent (8%) shall be paid to the Orange County
15 development commission established under IC 36-7-11.5.

16 (4) Sixteen percent (16%) shall be paid in equal amounts to each
17 town that is located in the county in which the riverboat is located
18 and contains a historic hotel. The following apply to taxes
19 received by a town under this subdivision:

20 (A) At least twenty-five percent (25%) of the taxes must be
21 transferred to the school corporation in which the town is
22 located.

23 (B) At least twelve and five-tenths percent (12.5%) of the
24 taxes imposed on adjusted gross receipts received after June
25 30, 2010, must be transferred to the Orange County
26 development commission established by IC 36-7-11.5-3.5.

27 (5) Nine percent (9%) shall be paid to the county treasurer of the
28 county in which the riverboat is located. The county treasurer
29 shall distribute the money received under this subdivision as
30 follows:

31 (A) Twenty-two and twenty-five hundredths percent (22.25%)
32 shall be quarterly distributed to the county treasurer of a
33 county having a population of more than thirty-nine thousand
34 six hundred (39,600) but less than forty thousand (40,000) for
35 appropriation by the county fiscal body after receiving a
36 recommendation from the county executive. The county fiscal
37 body for the receiving county shall provide for the distribution
38 of the money received under this clause to one (1) or more
39 taxing units (as defined in IC 6-1.1-1-21) in the county under
40 a formula established by the county fiscal body after receiving
41 a recommendation from the county executive.

42 (B) Twenty-two and twenty-five hundredths percent (22.25%)

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1 shall be quarterly distributed to the county treasurer of a
 2 county having a population of more than ten thousand seven
 3 hundred (10,700) but less than twelve thousand (12,000) for
 4 appropriation by the county fiscal body after receiving a
 5 recommendation from the county executive. The county fiscal
 6 body for the receiving county shall provide for the distribution
 7 of the money received under this clause to one (1) or more
 8 taxing units (as defined in IC 6-1.1-1-21) in the county under
 9 a formula established by the county fiscal body after receiving
 10 a recommendation from the county executive.

11 (C) Fifty-five and five-tenths percent (55.5%) shall be retained
 12 by the county in which the riverboat is located for
 13 appropriation by the county fiscal body after receiving a
 14 recommendation from the county executive.

15 (6) Five percent (5%) shall be paid to a town having a population
 16 of more than two thousand two hundred (2,200) but less than
 17 three thousand five hundred (3,500) located in a county having a
 18 population of more than nineteen thousand three hundred
 19 (19,300) but less than twenty thousand (20,000). At least forty
 20 percent (40%) of the taxes received by a town under this
 21 subdivision must be transferred to the school corporation in which
 22 the town is located.

23 (7) Five percent (5%) shall be paid to a town having a population
 24 of more than three thousand five hundred (3,500) located in a
 25 county having a population of more than nineteen thousand three
 26 hundred (19,300) but less than twenty thousand (20,000). At least
 27 forty percent (40%) of the taxes received by a town under this
 28 subdivision must be transferred to the school corporation in which
 29 the town is located.

30 (8) Five-tenths percent (0.5%) of the taxes imposed on adjusted
 31 gross receipts received after June 30, 2010, shall be paid to the
 32 Indiana economic development corporation established by
 33 IC 5-28-3-1.

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

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1 riverboat wagering taxes that:
 2 (1) exceeds a particular city's or county's base year revenue; and
 3 (2) would otherwise be due to the city or county under this
 4 section;

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

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

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

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

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

- 29 (1) To each city located in the county according to the ratio the
 30 city's population bears to the total population of the county.
- 31 (2) To each town located in the county according to the ratio the
 32 town's population bears to the total population of the county.
- 33 (3) After the distributions required in subdivisions (1) and (2) are
 34 made, the remainder shall be retained by the county.

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

- 37 (1) To reduce the property tax levy of the city, town, or county for
 38 a particular year (a property tax reduction under this subdivision
 39 does not reduce the maximum levy of the city, town, or county
 40 under IC 6-1.1-18.5).
- 41 (2) For deposit in a special fund or allocation fund created under
 42 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and

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- 1 IC 36-7-30 to provide funding for debt repayment.
- 2 (3) To fund sewer and water projects, including storm water
3 management projects.
- 4 (4) For police and fire pensions.
- 5 (5) To carry out any governmental purpose for which the money
6 is appropriated by the fiscal body of the city, town, or county.
7 Money used under this subdivision does not reduce the property
8 tax levy of the city, town, or county for a particular year or reduce
9 the maximum levy of the city, town, or county under
10 IC 6-1.1-18.5.
- 11 (g) This subsection does not apply to an entity receiving money
12 under IC 4-33-12-6(c). Before September 15 of each year, the treasurer
13 of state shall determine the total amount of money distributed to an
14 entity under IC 4-33-12-6 during the preceding state fiscal year. If the
15 treasurer of state determines that the total amount of money distributed
16 to an entity under IC 4-33-12-6 during the preceding state fiscal year
17 was less than the entity's base year revenue (as determined under
18 IC 4-33-12-6), the treasurer of state shall make a supplemental
19 distribution to the entity from taxes collected under this chapter and
20 deposited into the state general fund. Except as provided in subsection
21 (i), the amount of an entity's supplemental distribution is equal to:
- 22 (1) the entity's base year revenue (as determined under
23 IC 4-33-12-6); minus
- 24 (2) the sum of:
- 25 (A) the total amount of money distributed to the entity during
26 the preceding state fiscal year under IC 4-33-12-6; plus
- 27 (B) any amounts deducted under IC 6-3.1-20-7.
- 28 (h) This subsection applies only to a county containing a
29 consolidated city. The county auditor shall distribute the money
30 received by the county under subsection (e) as follows:
- 31 (1) To each city, other than a consolidated city, located in the
32 county according to the ratio that the city's population bears to the
33 total population of the county.
- 34 (2) To each town located in the county according to the ratio that
35 the town's population bears to the total population of the county.
- 36 (3) After the distributions required in subdivisions (1) and (2) are
37 made, the remainder shall be paid in equal amounts to the
38 consolidated city and the county.
- 39 (i) This subsection applies only to the Indiana horse racing
40 commission. For each state fiscal year the amount of the Indiana horse
41 racing commission's supplemental distribution under subsection (g)
42 must be reduced by the amount required to comply with

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1 IC 4-33-12-7(a).

2 SECTION 19. IC 4-33-13-6 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) Money paid to a
4 unit of local government under this chapter:

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

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

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

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

17 SECTION 20. IC 4-33-14-9 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) This section
19 applies to a person holding an owner's ~~licenses~~ **license** for riverboats
20 operated from a city described under IC 4-33-6-1(a)(1) through
21 IC 4-33-6-1(a)(3).

22 (b) The commission shall require persons holding owner's licenses
23 to adopt policies concerning the preferential hiring of residents of the
24 city in which the riverboat ~~docks~~ **is located** for riverboat jobs.

25 SECTION 21. IC 4-33-21-7, AS ADDED BY P.L.142-2009,
26 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2011]: Sec. 7. (a) A trustee acting under the authority of this
28 chapter must fulfill the trustee's duties as a fiduciary for the owner of
29 the riverboat. In addition, the trustee shall consider the effect of the
30 trustee's actions upon:

31 (1) the amount of taxes remitted by the trustee under IC 4-33-12
32 and IC 4-33-13;

33 (2) ~~the riverboat's dock~~ **city or and county in which the riverboat**
34 **is located;**

35 (3) the riverboat's employees; and

36 (4) the creditors of the owner of the riverboat.

37 (b) In balancing the interests described in subsection (a), a trustee
38 shall conduct gambling operations on the riverboat in a manner that
39 enhances the credibility and integrity of riverboat gambling in Indiana
40 while minimizing disruptions to tax revenues, incentive payments,
41 employment, and credit obligations.

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