SENATE BILL No. 47

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-33; IC 7.1-2-3-16.5; IC 7.1-3-17.5; IC 7.1-5-2-7.

Synopsis: Various riverboat matters. Permits a licensed owner to convert a riverboat into a permanently moored vessel without propulsion or navigation equipment. Provides for submission of plans and commission approval of the construction of a permanently moored vessel to replace a licensed owner's self-propelled excursion boat. Provides that a licensed owner converting a self-propelled excursion boat into a permanently moored vessel is not required to substantially alter the marine structural and life safety systems of the excursion boat if the excursion boat was in service before January 1, 2010. Removes obsolete provisions concerning the original riverboat licensing process. Authorizes a licensed owner or an operating agent to conduct card tournaments in a hotel or other facility owned or leased by the licensed owner or operating agent. Allows a riverboat or a racetrack casino to receive compensation for advertising alcoholic beverages by brand name. Eliminates certain restrictions under which the holder of a gaming permit may pay for complimentary drinks at certain events. Specifies that servers employed by a lessee or caterer providing food and beverage service at a gaming facility do not have to be employed by the gaming entity.

Effective: July 1, 2011.

Alting, Hershman, Mrvan

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

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Introduced

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. 47

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

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

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

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

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

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

(3) A permanently moored vessel operating from a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2).

SECTION 3. IC 4-33-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. (a) This section

does not apply to a riverboat located in a historic hotel district.

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

(1) Determine the waterways that are navigable waterways for purposes of this article.

(2) Determine the navigable waterways that are suitable for the operation of riverboats under this article.

(3) Approve a plan submitted under IC 4-33-6-23 for:

(A) the construction of a new permanently moored vessel; or

(B) the conversion of a self-propelled excursion boat into a permanently moored vessel.

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

(1) Obtain any required approvals from the United States Army Corps of Engineers for the operation of riverboats on those waterways.

(2) Consider the economic benefit that riverboat gambling provides to Indiana.

(3) Seek to ensure that all regions of Indiana share in the economic benefits of riverboat gambling.

SECTION 4. IC 4-33-4-13.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 13.5. The commission shall:**

(1) determine the appropriate marine structural and life safety standards for a permanently moored vessel approved under section 13 of this chapter; and

(2) establish maintenance requirements and an inspection schedule to enforce the standards.

This section does not require a licensed owner converting a self-propelled excursion boat into a permanently moored vessel to substantially alter the marine structural and life safety systems of the excursion boat that were required to comply with IC 4-33-6-6 if the self-propelled excursion boat was in service before January 1, 2011.

SECTION 5. IC 4-33-6-6, AS AMENDED BY P.L.170-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) **Except as provided in subsection (c),** a riverboat that operates in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) must:

(1) have either:

(A) a valid certificate of inspection from the United States

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Coast Guard for the carrying of at least five hundred (500) passengers; or

(B) a valid certificate of compliance with marine structural and life safety standards determined by the commission; and

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

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

(c) A riverboat described in IC 4-33-2-17(3) must have a valid certificate of compliance with the marine structural and life safety standards determined by the commission under IC 4-33-4-13.5 for a permanently moored vessel.

SECTION 6. IC 4-33-6-23 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 23. (a) A licensed owner may submit to the commission a plan for:**

(1) constructing a permanently moored vessel to replace the licensed owner's self-propelled excursion boat; or

(2) converting the licensed owner's self-propelled excursion boat into a permanently moored vessel.

(b) Upon receiving the commission's approval of a conversion plan submitted under subsection (a), a licensed owner may disable the propulsion and navigation equipment that had been required to comply with section 6(a) of this chapter.

(c) A licensed owner operating a permanently moored vessel is not required to employ personnel that had been required to operate a self-propelled excursion boat.

SECTION 7. IC 4-33-9-1, AS AMENDED BY P.L.142-2009, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. Gambling may be conducted on a riverboat **or in a facility in which a card tournament approved under section 10.5 of this chapter is conducted** by:

(1) a licensed owner;

(2) an operating agent; or

(3) a trustee in accordance with IC 4-33-21.

SECTION 8. IC 4-33-9-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. **(a)** Wagers may be received only from a person present on a riverboat **or in a facility in which a card tournament approved under section 10.5 of this chapter is conducted.**

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(b) A person present on a riverboat **or in a facility in which a card tournament approved under section 10.5 of this chapter is conducted** may not place or attempt to place a wager on behalf of another person who is not present on the riverboat **or in the facility during the approved card tournament.**

SECTION 9. IC 4-33-9-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 10.5. (a) A licensed owner or an operating agent may apply to the commission for approval to conduct card tournaments at a facility other than the riverboat on which the licensed owner or operating agent is authorized to conduct gambling games under this article.**

(b) The application must specify the facility in which the licensed owner or operating agent will conduct the card tournament if the application is approved. The facility must be in a hotel or other permanent structure owned or leased by the licensed owner or operating agent within close proximity of the riverboat on which the licensed owner or operating agent is authorized to conduct gambling games under this article.

(c) The application must be submitted on a form prescribed by the commission. The application must state the:

(1) date;

(2) time;

(3) place; and

(4) nature;

of the proposed card tournament. The commission may require the applicant to submit any additional information relevant to the commission's consideration of the application.

(d) As a condition of its approval, the commission may impose upon the applicant any requirement that the commission determines is necessary to protect the credibility and integrity of gambling operations authorized by this article.

SECTION 10. IC 7.1-2-3-16.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 16.5. (a) As used in this section, "facility" includes the following:

(1) A facility to which IC 7.1-3-1-25(a) applies.

(2) A tract that contains a premises that is described in IC 7.1-3-1-14(c)(2).

(3) A horse track or satellite facility to which IC 7.1-3-17.7 applies.

(4) A riverboat or racetrack to which IC 7.1-3-17.5 applies.

~~(4)~~ **(5)** A tract that contains an entertainment complex.

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(b) As used in this section, "tract" has the meaning set forth in IC 6-1.1-1-22.5.

(c) A facility may advertise alcoholic beverages:

(1) in the facility's interior; or

(2) on the facility's exterior.

(d) The commission may not exercise the prohibition power contained in section 16(a) of this chapter on advertising by a brewer, distiller, rectifier, or vintner in or on a facility.

(e) Notwithstanding IC 7.1-5-5-10 and IC 7.1-5-5-11, a facility may provide advertising to a permittee that is a brewer, distiller, rectifier, or vintner in exchange for compensation from that permittee.

SECTION 11. IC 7.1-3-17.5-6, AS AMENDED BY P.L.94-2008, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. Notwithstanding IC 7.1-5-5-7, the holder of a gaming site permit may, subject to the approval of the commission, provide alcoholic beverages to guests without charge at an event on the licensed premises. ~~if all the following requirements are met:~~

~~(1) Each alcoholic beverage dispensed to a guest:~~

~~(A) is entered into a cash register that records and itemizes on the cash register tape each alcoholic beverage dispensed; and~~

~~(B) is entered into a cash register as a sale and at the same price that is charged to the general public.~~

~~(2) At the conclusion of the event, all alcoholic beverages recorded on the cash register tape are paid by the holder of the gaming site permit.~~

~~(3) All records of the alcoholic beverage sales, including the cash register tape, shall be maintained by the holder of the gaming site permit for not less than two (2) years.~~

~~(4) The holder of the gaming site permit complies with the rules of the commission.~~

SECTION 12. IC 7.1-3-17.5-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 7. (a) As used in this section, "gaming facility" refers to one (1) or more of the following:**

(1) A riverboat (as defined in IC 4-33-2-17).

(2) A slot machine facility licensed under IC 4-35.

(3) Any hotel, golf course, or other facility that is:

(A) owned by a person holding a gaming site permit; and

(B) related to the operation of the holder's riverboat or slot machine facility.

(b) As used in this section, "server" means an individual who serves alcoholic beverages at a gaming facility.

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(c) A server is not required to be employed by a person holding a gaming site permit if the server satisfies the following requirements:

(1) The server is employed by a person who:

(A) leases space at a gaming facility for the purpose of providing food or beverages to the patrons of the gaming facility; or

(B) is a caterer or other person contracted to provide food or beverages at an event held at the gaming facility.

(2) The server holds a valid employee permit issued under IC 7.1-3-18-9.

SECTION 13. IC 7.1-5-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. (a) The term "premises" as used in this subsection does not include ~~(1)~~ a facility (as defined in IC 7.1-2-3-16.5). ~~or (2) a horse track to which IC 7.1-3-17.7 applies.~~ A primary source of supply, wholesaler, or salesman of alcoholic beverages, or the agent or representative of a primary source of supply, wholesaler, or salesman of alcoholic beverages may not directly or indirectly place, display, or maintain or cause to be placed, displayed, or maintained a sign advertising alcoholic beverages by brand name within two hundred (200) feet of a premises having a retailer or dealer permit to sell alcoholic beverages. The distance must be determined by measuring between the nearest point on the licensed premises to the nearest point of the sign.

(b) A sign advertising alcoholic beverages by brand name may not indicate by arrows, hands, or other similar devices a particular retailer or dealer premises.

(c) Notwithstanding subsection (a), a primary source of supply, wholesaler, or salesman of alcoholic beverages, or the agent or representative of a primary source of supply, wholesaler, or salesman of alcoholic beverages may place, display, maintain or cause to be placed, displayed, or maintained temporary banners or pennants advertising alcoholic beverages by brand name on or within two hundred (200) feet of a retailer or dealer premises if the banners or pennants commemorate a sporting event, festival, or holiday held in Indiana. The banners or pennants may be displayed under this subsection beginning twenty-one (21) days before the sporting event, festival, or holiday and ending five (5) days after the close of the sporting event, festival, or holiday.

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