

Adopted	Rejected
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COMMITTEE REPORT

YES:	10
NO:	3

MR. SPEAKER:

Your Committee on Public Policy, to which was referred Senate Bill 528, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:

- 1 Page 1, delete lines 1 through 17.
- 2 Delete page 2.
- 3 Page 3, delete lines 1 through 27.
- 4 Page 5, delete lines 3 through 28.
- 5 Page 5, delete lines 33 through 42.
- 6 Delete page 6.
- 7 Page 7, delete lines 1 through 25.
- 8 Page 8, delete lines 22 through 42.
- 9 Delete pages 9 through 10.
- 10 Page 11, delete line 1.
- 11 Page 12, delete lines 17 through 42.
- 12 Delete pages 13 through 14.
- 13 Page 15, delete lines 1 through 25.
- 14 Page 16, delete lines 26 through 42.
- 15 Page 17, delete lines 1 through 20.
- 16 Page 18, line 23, reset in roman "1.5(h)".

1 Page 18, line 23, delete "1.5(j)".

2 Page 18, delete lines 39 through 42, begin a new paragraph and
3 insert:

4 "SECTION 15. IC 4-33-13-1.5, AS AMENDED BY P.L.233-2007,
5 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JULY 1, 2013]: Sec. 1.5. (a) This section applies only to a riverboat
7 that has implemented flexible scheduling under IC 4-33-6-21 or
8 IC 4-33-6.5.

9 (b) A graduated tax is imposed on the adjusted gross receipts
10 received from gambling games authorized under this article as follows:

11 (1) Fifteen percent (15%) of the first twenty-five million dollars
12 (\$25,000,000) of adjusted gross receipts received during the
13 period beginning July 1 of each year and ending June 30 of the
14 following year.

15 (2) Twenty percent (20%) of the adjusted gross receipts in excess
16 of twenty-five million dollars (\$25,000,000) but not exceeding
17 fifty million dollars (\$50,000,000) received during the period
18 beginning July 1 of each year and ending June 30 of the following
19 year.

20 (3) Twenty-five percent (25%) of the adjusted gross receipts in
21 excess of fifty million dollars (\$50,000,000) but not exceeding
22 seventy-five million dollars (\$75,000,000) received during the
23 period beginning July 1 of each year and ending June 30 of the
24 following year.

25 (4) Thirty percent (30%) of the adjusted gross receipts in excess
26 of seventy-five million dollars (\$75,000,000) but not exceeding
27 one hundred fifty million dollars (\$150,000,000) received during
28 the period beginning July 1 of each year and ending June 30 of
29 the following year.

30 (5) Thirty-five percent (35%) of all adjusted gross receipts in
31 excess of one hundred fifty million dollars (\$150,000,000) but not
32 exceeding six hundred million dollars (\$600,000,000) received
33 during the period beginning July 1 of each year and ending June
34 30 of the following year.

35 (6) Forty percent (40%) of all adjusted gross receipts exceeding
36 six hundred million dollars (\$600,000,000) received during the
37 period beginning July 1 of each year and ending June 30 of the
38 following year.

1 (c) The licensed owner or operating agent shall remit the tax
2 imposed by this chapter to the department before the close of the
3 business day following the day the wagers are made.

4 (d) The department may require payment under this section to be
5 made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

6 (e) If the department requires taxes to be remitted under this chapter
7 through electronic funds transfer, the department may allow the
8 licensed owner or operating agent to file a monthly report to reconcile
9 the amounts remitted to the department.

10 (f) The department may allow taxes remitted under this section to
11 be reported on the same form used for taxes paid under ~~IC 4-33-12~~.
12 **IC 4-33-13.5.**

13 (g) If a riverboat implements flexible scheduling during any part of
14 a period beginning July 1 of each year and ending June 30 of the
15 following year, the tax rate imposed on the adjusted gross receipts
16 received while the riverboat implements flexible scheduling shall be
17 computed as if the riverboat had engaged in flexible scheduling during
18 the entire period beginning July 1 of each year and ending June 30 of
19 the following year.

20 (h) If a riverboat:
21 (1) implements flexible scheduling during any part of a period
22 beginning July 1 of each year and ending June 30 of the following
23 year; and
24 (2) before the end of that period ceases to operate the riverboat
25 with flexible scheduling;

26 the riverboat shall continue to pay a wagering tax at the tax rates
27 imposed under subsection (b) until the end of that period as if the
28 riverboat had not ceased to conduct flexible scheduling."

29 Delete pages 19 through 25.

30 Page 26, delete lines 1 through 35, begin a new paragraph and
31 insert:

32 "SECTION 42. IC 4-33-13-5, AS AMENDED BY P.L.119-2012,
33 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2013]: Sec. 5. (a) This subsection does not apply to tax
35 revenue remitted by an operating agent operating a riverboat in a
36 historic hotel district. After funds are appropriated under section 4 of
37 this chapter, each month the treasurer of state shall distribute the tax
38 revenue deposited in the state gaming fund under this chapter to the

- 1 following:
- 2 (1) The first thirty-three million dollars (\$33,000,000) of tax
- 3 revenues collected under this chapter shall be set aside for
- 4 revenue sharing under subsection (e).
- 5 (2) Subject to subsection (c), twenty-five percent (25%) of the
- 6 remaining tax revenue remitted by each licensed owner shall be
- 7 paid:
- 8 (A) to the city that is designated as the home dock of the
- 9 riverboat from which the tax revenue was collected, in the case
- 10 of
- 11 (i) a city described in ~~IC 4-33-12-6(b)(1)(A)~~; **riverboat**
- 12 **located in Dearborn County, Lake County, LaPorte**
- 13 **County, Ohio County, or Vanderburgh County;** or
- 14 (ii) a city located in a county having a population of more
- 15 than four hundred thousand (400,000) but less than seven
- 16 hundred thousand (700,000); or
- 17 (B) to the county that is designated as the home dock of the
- 18 riverboat from which the tax revenue was collected, in the case
- 19 of a riverboat ~~whose home dock is not in a city described in~~
- 20 ~~clause (A)~~. **located in Harrison County or Switzerland**
- 21 **County.**
- 22 (3) Subject to subsection (d), the remainder of the tax revenue
- 23 remitted by each licensed owner shall be paid to the state general
- 24 fund. In each state fiscal year, the treasurer of state shall make the
- 25 transfer required by this subdivision not later than the last
- 26 business day of the month in which the tax revenue is remitted to
- 27 the state for deposit in the state gaming fund. However, if tax
- 28 revenue is received by the state on the last business day in a
- 29 month, the treasurer of state may transfer the tax revenue to the
- 30 state general fund in the immediately following month.
- 31 (b) This subsection applies only to tax revenue remitted by an
- 32 operating agent operating a riverboat in a historic hotel district. After
- 33 funds are appropriated under section 4 of this chapter, each month the
- 34 treasurer of state shall distribute the tax revenue remitted by the
- 35 operating agent under this chapter as follows:
- 36 (1) Thirty-seven and one-half percent (37.5%) shall be paid to the
- 37 state general fund.
- 38 (2) Nineteen percent (19%) shall be paid to the West Baden

1 Springs historic hotel preservation and maintenance fund
2 established by IC 36-7-11.5-11(b). However, at any time the
3 balance in that fund exceeds twenty million dollars
4 (\$20,000,000), the amount described in this subdivision shall be
5 paid to the state general fund.

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

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

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

15 (B) At least twelve and five-tenths percent (12.5%) of the
16 taxes imposed on adjusted gross receipts received after June
17 30, 2010, must be transferred to the Orange County
18 development commission established by IC 36-7-11.5-3.5.

19 (5) Nine percent (9%) shall be paid to the county treasurer of the
20 county in which the riverboat is located. The county treasurer
21 shall distribute the money received under this subdivision as
22 follows:

23 (A) Twenty-two and twenty-five hundredths percent (22.25%)
24 shall be quarterly distributed to the county treasurer of a
25 county having a population of more than forty thousand
26 (40,000) but less than forty-two thousand (42,000) for
27 appropriation by the county fiscal body after receiving a
28 recommendation from the county executive. The county fiscal
29 body for the receiving county shall provide for the distribution
30 of the money received under this clause to one (1) or more
31 taxing units (as defined in IC 6-1.1-1-21) in the county under
32 a formula established by the county fiscal body after receiving
33 a recommendation from the county executive.

34 (B) Twenty-two and twenty-five hundredths percent (22.25%)
35 shall be quarterly distributed to the county treasurer of a
36 county having a population of more than ten thousand seven
37 hundred (10,700) but less than twelve thousand (12,000) for
38 appropriation by the county fiscal body after receiving a

1 recommendation from the county executive. The county fiscal
2 body for the receiving county shall provide for the distribution
3 of the money received under this clause to one (1) or more
4 taxing units (as defined in IC 6-1.1-1-21) in the county under
5 a formula established by the county fiscal body after receiving
6 a recommendation from the county executive.

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

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

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

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

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

- 1 (1) exceeds a particular city's or county's base year revenue; and
 2 (2) would otherwise be due to the city or county under this
 3 section;

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

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

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

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

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

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

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

- 36 (1) To reduce the property tax levy of the city, town, or county for
 37 a particular year (a property tax reduction under this subdivision
 38 does not reduce the maximum levy of the city, town, or county

- 1 under IC 6-1.1-18.5).
- 2 (2) For deposit in a special fund or allocation fund created under
- 3 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
- 4 IC 36-7-30 to provide funding for debt repayment.
- 5 (3) To fund sewer and water projects, including storm water
- 6 management projects.
- 7 (4) For police and fire pensions.
- 8 (5) To carry out any governmental purpose for which the money
- 9 is appropriated by the fiscal body of the city, town, or county.
- 10 Money used under this subdivision does not reduce the property
- 11 tax levy of the city, town, or county for a particular year or reduce
- 12 the maximum levy of the city, town, or county under
- 13 IC 6-1.1-18.5.
- 14 (g) This subsection does not apply to an entity receiving money
- 15 under ~~IC 4-33-12-6(e)~~. **IC 4-33-13.5-7**. Before September 15 of each
- 16 year, the treasurer of state shall determine the total amount of money
- 17 distributed to an entity under IC 4-33-12-6 **(before its repeal) or**
- 18 **IC 4-33-13.5** during the preceding state fiscal year. If the treasurer of
- 19 state determines that the total amount of money distributed to an entity
- 20 under IC 4-33-12-6 **(before its repeal) or IC 4-33-13.5** during the
- 21 preceding state fiscal year was less than the entity's base year revenue,
- 22 ~~(as determined under IC 4-33-12-6)~~ the treasurer of state shall make a
- 23 supplemental distribution to the entity from taxes collected under this
- 24 chapter and deposited into the state general fund. ~~Except as provided~~
- 25 ~~in subsection (i)~~; The amount of an entity's supplemental distribution
- 26 is equal to:
- 27 (1) the entity's base year revenue; ~~(as determined under~~
- 28 ~~IC 4-33-12-6)~~; minus
- 29 (2) the sum of:
- 30 (A) the total amount of money distributed to the entity during
- 31 the preceding state fiscal year under IC 4-33-12-6 **(before its**
- 32 **repeal) or IC 4-33-13.5**; plus
- 33 (B) any amounts deducted under IC 6-3.1-20-7.
- 34 (h) This subsection applies only to a county containing a
- 35 consolidated city. The county auditor shall distribute the money
- 36 received by the county under subsection (e) as follows:
- 37 (1) To each city, other than a consolidated city, located in the
- 38 county according to the ratio that the city's population bears to the

- 1 total population of the county.
- 2 (2) To each town located in the county according to the ratio that
- 3 the town's population bears to the total population of the county.
- 4 (3) After the distributions required in subdivisions (1) and (2) are
- 5 made, the remainder shall be paid in equal amounts to the
- 6 consolidated city and the county.
- 7 (i) This subsection applies only to the Indiana horse racing
- 8 commission. For each state fiscal year the amount of the Indiana horse
- 9 racing commission's supplemental distribution under subsection (g)
- 10 must be reduced by the amount required to comply with
- 11 ~~IC 4-33-12-7(a)~~."
- 12 Page 27, line 11, delete "Deductions taken under this section".
- 13 Page 27, delete lines 12 through 14.
- 14 Page 32, delete lines 27 through 40, begin a new paragraph and
- 15 insert:
- 16 **"(d) If the treasurer of state determines that the total amount of**
- 17 **money distributed to an entity under this chapter during a state**
- 18 **fiscal year is less than the entity's base year revenue, the treasurer**
- 19 **of state shall make a supplemental distribution to the entity under**
- 20 **IC 4-33-13-5(g)**".
- 21 Page 34, delete lines 28 through 42.
- 22 Page 35, delete lines 1 through 9.
- 23 Page 35, delete lines 14 through 42.
- 24 Delete page 36.
- 25 Page 37, delete lines 1 through 15.
- 26 Page 37, delete lines 28 through 42.
- 27 Delete pages 38 through 39.
- 28 Page 40, delete lines 1 through 23.
- 29 Page 40, line 26, reset in roman "slot machine".
- 30 Page 40, line 27, delete "gambling game".
- 31 Page 40, line 28, delete "chip, a".
- 32 Page 40, line 28, after "token" delete ",".
- 33 Page 40, line 31, delete "chip, a".
- 34 Page 40, line 31, after "token" delete ",".
- 35 Page 40, line 34, reset in roman "slot machine".
- 36 Page 40, line 34, delete "gambling game".
- 37 Page 40, line 36, delete "chips,".
- 38 Page 40, delete lines 40 through 42.

- 1 Delete pages 41 through 47.
- 2 Page 48, delete lines 1 through 27.
- 3 Page 49, delete lines 2 through 5.
- 4 Page 49, delete lines 11 through 42.
- 5 Page 50, delete line 1.
- 6 Page 50, delete lines 9 through 42, begin a new paragraph and
- 7 insert:
- 8 "SECTION 79. IC 4-35-8.9 IS REPEALED [EFFECTIVE JULY 1,
- 9 2013]. (Supplemental Fees).".
- 10 Page 51, delete lines 1 through 38.
- 11 Page 67, delete lines 14 through 42, begin a new paragraph and
- 12 insert:
- 13 "SECTION 46. IC 36-7-11.5-11, AS AMENDED BY P.L.229-2011,
- 14 SECTION 266, IS AMENDED TO READ AS FOLLOWS
- 15 [EFFECTIVE JULY 1, 2013]: Sec. 11. (a) As used in this section,
- 16 "fund" refers to the West Baden Springs historic hotel preservation and
- 17 maintenance fund established by subsection (b).
- 18 (b) The West Baden Springs historic hotel preservation and
- 19 maintenance fund is established. The fund consists of the following:
- 20 (1) Amounts deposited in the fund under IC 4-33-6.5-6,
- 21 IC 4-33-12-6(c) (**before its repeal**), and IC 4-33-13-5(b).
- 22 (2) Grants and gifts that the department of natural resources
- 23 receives for the fund under terms, obligations, and liabilities that
- 24 the department considers appropriate.
- 25 (3) The one million dollar (\$1,000,000) initial fee paid to the
- 26 gaming commission under IC 4-33-6.5.
- 27 (4) Any amount transferred to the fund upon the repeal of
- 28 IC 36-7-11.5-8 (the community trust fund).
- 29 The fund shall be administered by the department of natural resources.
- 30 The expenses of administering the fund shall be paid from money in
- 31 the fund.
- 32 (c) The treasurer of state shall invest the money in the fund that is
- 33 not currently needed to meet the obligations of the fund in the same
- 34 manner as other public funds may be invested. The treasurer of state
- 35 shall deposit in the fund the interest that accrues from the investment
- 36 of the fund.
- 37 (d) Money in the fund at the end of a state fiscal year does not revert
- 38 to the state general fund.

- 1 (e) The interest accruing to the fund is annually appropriated to the
- 2 department of natural resources only for the following purposes:
- 3 (1) To reimburse claims made for expenditures to maintain a
- 4 qualified historic hotel, as determined by the owner of the hotel
- 5 riverboat resort.
- 6 (2) To reimburse claims made for expenditures to maintain:
- 7 (A) the grounds surrounding a qualified historic hotel;
- 8 (B) supporting buildings and structures related to a qualified
- 9 historic hotel; and
- 10 (C) other facilities used by the guests of the qualified historic
- 11 hotel;
- 12 as determined by the owner of the hotel riverboat resort.
- 13 (f) The department of natural resources shall promptly pay each
- 14 claim for a purpose described in subsection (e) to the extent of the
- 15 balance of interest available in the fund, without review or approval of
- 16 the project or claim under IC 14-21 or IC 36-7-11. IC 14-21-1-18 does
- 17 not apply to projects or claims paid for maintenance under this section.
- 18 If insufficient money is available to fully pay all of the submitted
- 19 claims, the department of natural resources shall pay the claims in the
- 20 order in which they are received until each claim is fully paid.
- 21 (g) Notwithstanding IC 4-9.1-1-7, IC 4-12-1-12, IC 4-13-2-18, or
- 22 any other law, interest accruing to the fund may not be withheld,
- 23 transferred, assigned, or reassigned to a purpose other than the
- 24 reimbursement of claims under subsection (f)."

- 1 Page 68, delete lines 1 through 32.
- 2 Page 69, delete lines 6 through 28.
- 3 Renumber all SECTIONS consecutively.
(Reference is to SB 528 as reprinted February 22, 2013.)

and when so amended that said bill do pass.

Representative Davis