Adopted	Rejected

COMMITTEE REPORT

YES: 18
NO: 3

MR. SPEAKER:

Your Committee on **Ways and Means**, to which was referred Senate Bill 91, 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:

Page 1, delete lines 9 through 17, begin a new paragraph and insert:

"SECTION 2. IC 4-4-11-2, AS AMENDED BY P.L.235-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The legislature makes the following findings of fact:

(1) That there currently exists in certain areas of the state critical conditions of unemployment, inadequate drinking water, inadequate wastewater and storm water management, or environmental pollution, including water pollution, air pollution, sewage and solid waste, radioactive waste, thermal pollution, radiation contamination, and noise pollution, and that these conditions may well exist, from time to time, in other areas of the state.

(2) That in some areas of the state such conditions are chronic and of long standing and that without remedial measures they may

become so in other areas of the state.

(3) That economic insecurity due to unemployment, inadequate drinking water, inadequate wastewater and storm water management, or environmental pollution is a menace to the health, safety, morals, and general welfare of not only the people of the affected areas but of the people of the entire state.

(4) That involuntary unemployment and its resulting burden of indigency falls with crushing force upon the unemployed worker and ultimately upon the state in the form of public assistance and unemployment compensation.

(5) That security against unemployment and the resulting spread of indigency and economic stagnation in the areas affected can best be provided by:

(A) the promotion, attraction, stimulation, rehabilitation, and revitalization of industrial development projects, rural development projects, mining operations, and agricultural operations that involve the processing of agricultural products;

(B) the promotion and stimulation of international exports; and

(C) the education, both formal and informal, of people of all ages throughout the state by the promotion, attraction, construction, renovation, rehabilitation, and revitalization of and assistance to educational facility projects.

(6) That the present and prospective health, safety, morals, right to gainful employment, and general welfare of the people of the state require as a public purpose the provision of safe drinking water, the provision of wastewater and storm water management, the abatement or control of pollution, the promotion of increased educational enrichment (including cultural, intellectual, scientific, or artistic opportunities) for people of all ages through new, expanded, or revitalized educational facility projects or through assisting educational facility projects, and the promotion of employment creation or retention through development of new and expanded industrial development projects, rural development projects, mining operations, and agricultural operations that involve the processing of agricultural products.

(7) That there is a need to stimulate a larger flow of private investment funds from commercial banks, investment bankers, insurance companies, other financial institutions, and individuals

into such industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products in the state.

(8) That the authority can encourage the making of loans or leases for creation or expansion of industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products, thus putting a larger portion of the private capital available in Indiana for investment to use in the general economic development of the state.

(9) That the issuance of bonds of the authority to create a financing pool for industrial development projects and carrying out the purposes of IC 13-18-13 and IC 13-18-21 promoting a substantial likelihood of opportunities for:

(A) gainful employment;

(B) business opportunities;

(C) educational enrichment (including cultural, intellectual, scientific, or artistic opportunities);

(D) the abatement, reduction, or prevention of pollution;

(E) the provision of safe drinking water;

(F) the provision of wastewater and storm water management;

(G) the removal or treatment of any substances in materials being processed that otherwise would cause pollution when used; or

(H) increased options for and availability of child care;

will improve the health, safety, morals, and general welfare of the people of the state and constitutes a public purpose for which the authority shall exist and operate.

(10) That the issuance of bonds of the authority to create a funding source for the making of guaranteed participating loans will promote and encourage an expanding international exports market and international exports sales and will promote the general welfare of all of the people of Indiana by assisting Indiana businesses through stimulation of the expansion of international exports sales for Indiana products and services, especially those of small and medium-sized businesses, by providing financial assistance through the authority.

(b) The Indiana finance authority shall exist and operate for the public purposes of:

(1) promoting opportunities for gainful employment and business opportunities by the promotion and development of industrial development projects, rural development projects, mining operations, international exports, and agricultural operations that involve the processing of agricultural products, in any areas of the state;

(2) promoting the educational enrichment (including cultural, intellectual, scientific, or artistic opportunities) of all the people of the state by the promotion, development, and assistance of educational facility projects;

(3) promoting affordable farm credit and agricultural loan financing at interest rates that are consistent with the needs of borrowers for farming and agricultural enterprises;

(4) preventing and remediating environmental pollution, including water pollution, air pollution, sewage and solid waste disposal, radioactive waste, thermal pollution, radiation contamination, and noise pollution affecting the health and well-being of the people of the state by:

(A) the promotion and development of industrial development projects; and

(B) carrying out the purposes of IC 13-18-13 and IC 13-18-21;

(5) promoting the provision of safe and adequate drinking water and wastewater and storm water management to positively affect the public health and well-being by carrying out the purposes of IC 13-18-13 and IC 13-18-21;

(6) otherwise positively affecting the public health and well-being by carrying out the purposes of IC 13-18-13 and IC 13-18-21; ~~and~~

(7) promoting affordable and accessible child care for the people of the state by the promotion and development of child care facilities; **and**

(8) carrying out the purposes of IC 5-1-17.5 concerning a motorsports investment district.

SECTION 3. IC 4-4-11-15.6, AS AMENDED BY P.L.182-2009(ss), SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15.6. In addition to the powers listed in section 15 of this chapter, the authority may:

(1) issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to acquire obligations issued by any entity authorized to acquire, finance, construct, or lease capital improvements under IC 5-1-17;

(2) issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to acquire any obligations issued by the northwest Indiana regional development authority established by IC 36-7.5-2-1; ~~and~~

(3) after December 31, 2009, issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to acquire any obligations issued by either the commuter rail service board established under IC 8-24-5 or the regional demand and scheduled bus service board established under IC 8-24-6;

(4) issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to carry out the purposes of IC 5-1-17.5 within a motorsports investment district; and

(5) perform any other functions determined by the authority to be necessary or appropriate to carry out the purposes of IC 5-1-17.5 within a motorsports investment district.

SECTION 4. IC 4-10-23 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]:

Chapter 23. Motorsports Investment District Loans

Sec. 1. This chapter applies to a motorsports investment district established under IC 5-1-17.5.

Sec. 2. As used in this chapter, "commission" refers to the Indiana motorsports commission created under IC 5-1-17.5.

Sec. 3. As used in this chapter, "district" refers to a motorsports investment district established under IC 5-1-17.5.

Sec. 4. As used in this chapter, "gross retail base period amount" means the aggregate amount of state gross retail and use taxes remitted under IC 6-2.5 by a qualified motorsports facility operating in a district during the full state fiscal year that precedes the date on which the commission adopted a resolution designating the district.

Sec. 5. As used in this chapter, "gross retail incremental

amount" means the remainder of:

(1) the aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by a qualified motorsports facility operating in a district during a state fiscal year; minus

(2) the gross retail base period amount.

Sec. 6. As used in this chapter, "income tax base period amount" means the aggregate amount of state adjusted gross income taxes paid by individuals with respect to:

(1) wages and salary earned for work in the district; or

(2) purse money and prizes won for racing in the district;

for the state fiscal year that precedes the date on which the commission adopts a resolution designating the district.

Sec. 7. As used in this chapter, "income tax incremental amount" means the remainder of:

(1) the aggregate amount of state adjusted gross income taxes paid with respect to:

(A) wages and salary earned for work in the district; or

(B) purse money and prizes won for racing in the district;

for a particular state fiscal year; minus

(2) the income tax base period amount.

Sec. 8. As used in this chapter, "loan" refers to a loan made under IC 5-1-17.5-32.

Sec. 9. As used in this chapter, "qualified motorsports facility" has the meaning set forth in IC 5-1-17.5-13.

Sec. 10. (a) Before the first business day in October of each year, the department shall calculate the income tax incremental amount and the gross retail incremental amount for the preceding state fiscal year for the district.

(b) Businesses operating in the district shall report, in the manner and in the form prescribed by the department, information that the department determines necessary to calculate incremental gross retail, use, and income taxes.

Sec. 11. Before the first business day in November of each year, the budget agency shall do the following:

(1) Determine the sum of the following amounts for the preceding state fiscal year for the district:

(A) The income tax incremental amount.

(B) The gross retail incremental amount.

(C) The amount of admissions fees deposited in the state general fund under IC 6-8-14-10.

(2) Credit the sum determined under subdivision (1) as the amount of the loan repaid by the qualified motorsports facility for the preceding state fiscal year.

SECTION 5. IC 4-35-7-16 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 16. (a) The amount of slot machine revenue that must be distributed under section 12(b)(2) of this chapter must be determined in a distribution agreement entered into by negotiation committees representing all licensees and the horsemen's associations having contracts with licensees that have been approved by the Indiana horse racing commission.**

(b) Each horsemen's association shall appoint a representative to a negotiation committee to negotiate the distribution agreement required by subsection (a). If there are an even number of horsemen's associations appointing representatives to the committee, the members appointed by each horsemen's association shall jointly appoint an at-large member of the negotiation committee to represent the interests of all of the horsemen's associations. The at-large member is entitled to the same rights and privileges of the members appointed by the horsemen's associations.

(c) Each licensee shall appoint a representative to a negotiation committee to negotiate the distribution agreement required by subsection (a). If there are an even number of licensees, the members appointed by each licensee shall jointly appoint an at-large member of the negotiation committee to represent the interests of all of the licensees. The at-large member is entitled to the same rights and privileges of the members appointed by the licensees.

(d) If a majority of the members of each negotiation committee are present, the negotiation committees may negotiate and enter into a distribution agreement binding all horsemen's associations and all licensees as required by subsection (a).

(e) The initial distribution agreement entered into by the negotiation committees:

(1) must be in writing;

(2) must be submitted to the Indiana horse racing commission before October 1, 2013;

(3) must be approved by the Indiana horse racing commission before January 1, 2014; and

(4) may contain any terms determined to be necessary and appropriate by the negotiation committees, subject to subsection (f) and section 12 of this chapter.

(f) A distribution agreement must provide that at least nine percent (9%) and not more than eleven percent (11%) of a licensee's adjusted gross receipts must be distributed under section 12(b)(2) of this chapter. A distribution agreement applies to adjusted gross receipts received by the licensee after December 31 of the calendar year in which the distribution agreement is approved by the Indiana horse racing commission.

(g) A distribution agreement may expire on December 31 of a particular calendar year if a subsequent distribution agreement will take effect on January 1 of the following calendar year. A subsequent distribution agreement:

(1) is subject to the approval of the Indiana horse racing commission; and

(2) must be submitted to the Indiana horse racing commission before October 1 of the calendar year preceding the calendar year in which the distribution agreement will take effect.

SECTION 6. IC 4-35-7-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 17. (a) Subject to subsection (b), if:**

(1) a distribution agreement is not submitted to the Indiana horse racing commission before the deadlines imposed by section 16 of this chapter; or

(2) the Indiana horse racing commission is unable to approve a distribution agreement;

the Indiana horse racing commission shall determine the percentage of a licensee's adjusted gross receipts that must be distributed under section 12(b)(2) of this chapter.

(b) The Indiana horse racing commission shall give the negotiation committees an opportunity to correct any deficiencies in a proposed distribution agreement before making a determination of the applicable percentage under subsection (a).

(c) The Indiana horse racing commission shall consider the factors used to evaluate a distribution agreement under section 18 of this chapter when making a determination under subsection (a).

SECTION 7. IC 4-35-7-18 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 18. The Indiana horse racing commission shall evaluate any proposed distribution agreement submitted under section 16 of this chapter using the following criteria:**

(1) The best interests of pari-mutuel horse racing in Indiana.

(2) Maintenance of the highest standards and greatest level of integrity.

(3) Fairness to all parties.

(4) The financial stability of licensees.

(5) Any other factor considered relevant by the Indiana horse racing commission.

SECTION 8. IC 4-35-7-19 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 19. (a) The department of state revenue is not entitled to a distribution under section 15(b)(3) of this chapter in a calendar year beginning after December 31, 2033.**

(b) The Indiana economic development corporation is not entitled to a distribution under section 15(b)(4) of this chapter in a calendar year beginning after December 31, 2033.

(c) A licensee may deduct the amounts described in this section from the amount of revenue sharing required under section 15 of this chapter in calendar year 2034 and each calendar year thereafter.

(d) A licensee may retain any amount deducted from the revenue sharing requirement under subsection (c).

SECTION 9. IC 5-1-17.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 17.5. Motorsports Investment District

Sec. 1. The general assembly finds the following:

(1) Marion County and certain surrounding counties and municipalities located in those counties face unique and distinct challenges and opportunities related to the economic development issues associated with the maintenance of a

world-class motorsports facility in the town of Speedway.

(2) A unique approach is required to ensure that such a motorsports facility can be maintained to allow these counties and municipalities to meet these challenges and opportunities.

(3) The powers and responsibilities provided to the Indiana motorsports commission created by this chapter and the Indiana finance authority are appropriate and necessary to carry out the public purposes of encouraging and fostering economic development in central Indiana and maintaining a world-class motorsports facility in the town of Speedway.

(4) Encouragement of economic development in central Indiana will:

(A) generate significant economic activity, a substantial part of which results from persons residing outside Indiana, which may attract new businesses and encourage existing businesses to remain or expand in central Indiana;

(B) promote central Indiana to residents outside Indiana, which may attract residents outside Indiana and new businesses to relocate to central Indiana;

(C) protect and increase state and local tax revenues; and

(D) encourage overall economic growth in central Indiana and in Indiana.

(5) Marion County faces unique challenges in the development of infrastructure and other facilities necessary to promote economic development as a result of its need to rely on sources of revenue other than property taxes, due to the large number of tax-exempt properties located in Marion County, because Indianapolis is the seat of state government and Marion County government, and because Marion County is home to multiple institutions of higher education and the site of numerous state and regional nonprofit corporations.

(6) Economic development benefits the health and welfare of the people of Indiana, is a public use and purpose for which public money may be spent, and is of public utility and benefit.

Sec. 2. As used in this chapter, "affected statutes" has the meaning set forth in IC 4-4-10.9-1.2.

Sec. 3. As used in this chapter, "authority" refers to the Indiana

finance authority.

Sec. 4. As used in this chapter, "board" refers to the board of directors of the commission.

Sec. 5. As used in this chapter, "bonds" has the meaning set forth in IC 4-4-10.9-2.

Sec. 6. As used in this chapter, "budget agency" means the budget agency established by IC 4-12-1-3.

Sec. 7. As used in this chapter, "budget committee" means the budget committee established by IC 4-12-1-3.

Sec. 8. As used in this chapter, "commission" refers to the Indiana motorsports commission created by this chapter.

Sec. 9. As used in this chapter, "department" refers to the department of state revenue.

Sec. 10. As used in this chapter, "motorsports investment district" means the special taxing district containing the geographic area established as a motorsports investment district under this chapter.

Sec. 11. As used in this chapter, "person" has the meaning set forth in IC 36-1-2-12.

Sec. 12. As used in this chapter, "political subdivision" has the meaning set forth in IC 36-1-2-13.

Sec. 13. (a) As used in this chapter, "qualified motorsports facility" means a facility that:

(1) is located within the town of Speedway;

(2) is used for professional motorsports racing events;

(3) has a motorsports racetrack that is greater than two (2) miles in length; and

(4) holds at least two (2) professional motorsports racing events annually at which the combined admissions total at least two hundred thousand (200,000).

(b) For purposes of this section, a professional motorsports racing event includes a professional motorsports racing practice session that is open to the general public.

Sec. 14. As used in this chapter, "qualified revenue" refers to revenue deposited in the motorsports investment district fund under IC 4-35-7-15(b)(3).

Sec. 15. The Indiana motorsports commission is created in Indiana as a separate body corporate and politic, as an

instrumentality of the state, to finance real and personal property improvements made by a qualified motorsports facility within a motorsports investment district.

Sec. 16. (a) The board of directors of the commission is composed of the following five (5) directors, who serve at the pleasure of the governor and must be residents of Indiana:

(1) The budget director, or the budget director's designee, who shall serve as chair of the commission.

(2) Four (4) directors appointed by the governor. The president pro tempore of the senate and the speaker of the house of representatives may each make one (1) recommendation to the governor concerning the appointment of a director under this subdivision.

(b) The commission shall be governed by the board. The directors may not be elected public officials of the state or any political subdivision. Except for the budget director, the directors first appointed continue in office for terms expiring on July 1, 2014, July 1, 2015, July 1, 2016, and July 1, 2017, and until their respective successors are duly appointed and qualified.

(c) Except for the budget director, the term of any director first appointed must be designated by the governor. If a vacancy occurs on the board, the governor shall fill the vacancy by appointing a new director. The successor of each such director is appointed for a term of four (4) years, except that any person appointed to fill a vacancy is appointed to serve only for the unexpired term and until a successor is duly appointed and qualified. A director is eligible for reappointment.

(d) The directors shall hold an initial organizational meeting within thirty (30) days after the board's appointment and after public notice given by the budget director in accordance with IC 5-3-1-4. As soon as practicable after January 15 of each year, the board shall hold its annual organizational meeting. The board shall elect one (1) of the directors as vice-chair and another director as secretary-treasurer to perform the duties of those offices. These officers serve from the date of their election and until their successors are elected and qualified. Special meetings may be called by the chair or any two (2) directors of the board.

(e) Three (3) directors constitute a quorum of the commission,

and the affirmative vote of at least three (3) directors is necessary for any official action taken by the board. A vacancy in the membership of the board does not impair the rights of a quorum to exercise all the rights and perform all the duties of the board.

(f) Except for the budget director, the directors are entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with their duties as provided by law. Directors are not entitled to the salary per diem provided by IC 4-10-11-2.1(b) or any other compensation while performing their duties.

(g) The board:

(1) is responsible for implementing the powers and duties of the commission under this chapter;

(2) may adopt bylaws for the regulation of the affairs of the board, the conduct of the business of the commission, and the safeguarding of the funds and property entrusted to the commission; and

(3) shall, without complying with IC 4-22-2, adopt the code of ethics specified in executive order 05-12 for its members and employees.

Sec. 17. The commission is authorized and empowered to do the following:

(1) To sue and be sued, and to plead and be impleaded in the name of the commission.

(2) To receive and accept from any federal agency grants and to receive and accept aid or contributions from any source of money, property, labor, or other things of value, to be held, used, and applied only for the purposes for which such grants and contributions may be made.

(3) To hold, use, administer, and expend such sum or sums as may at any time be appropriated or transferred to the commission.

(4) To do all acts and things necessary or proper to carry out the powers expressly granted in this chapter.

Sec. 18. The authority shall provide staff support for the commission and pay all expenses of the commission from funds appropriated to the authority.

Sec. 19. (a) Except as provided in subsection (b), each director

of the board shall execute a surety bond in the penal sum of fifty thousand dollars ($50,000). To the extent an individual described in this section is already covered by a bond required by state law, the individual is not required to obtain another bond, so long as the bond required by state law is in at least the penal sum specified in this section and covers the individual's activities for the commission.

(b) Instead of a bond, the chair may execute a blanket surety bond covering each director.

(c) Each surety bond must be conditioned upon the faithful performance of the individual's duties and shall be issued by a surety company authorized to transact business in this state as surety. At all times after the issuance of any surety bonds, each individual described in this section shall maintain the surety bonds in full force and effect. All costs of the surety bonds shall be borne by the commission.

Sec. 20. The directors of the board are not subject to personal liability or accountability by reason of any act authorized by this chapter with respect to the:

(1) issuance of bonds;

(2) execution of a lease for office space for the commission; or

(3) execution of any other agreement under this chapter.

Sec. 21. The commission shall cause an audit or review of its books and accounts to be made at least once each year by certified public accountants.

Sec. 22. The commission shall, following the close of each fiscal year of the commission, submit an annual report of its activities for the preceding year to the governor, the budget committee, and the legislative council. An annual report submitted under this section to the legislative council must be in an electronic format under IC 5-14-6. Each report must set forth a complete operating and financial statement for the commission during the fiscal year it covers.

Sec. 23. (a) A director of the commission who knowingly has an interest:

(1) in any contract with the commission; or

(2) in the sale or lease of any real or personal property to the commission;

commits a Class A misdemeanor. All such contracts or leases are void.

(b) This section does not apply to contracts for purchases of property, real or personal, between the commission and:

(1) the authority;

(2) any political subdivision; or

(3) any department or agency of the state.

Sec. 24. (a) The commission may, after a public hearing, adopt a resolution establishing a motorsports investment district. Notice of the public hearing must be provided in accordance with IC 5-3-1.

(b) In establishing the motorsports investment district, the commission must make the following findings:

(1) There are improvements that will be undertaken in the motorsports investment district that will have a positive effect on the activities of a qualified motorsports facility.

(2) The improvements that will be undertaken in the motorsports investment district will benefit the public health and welfare and will be of public utility and benefit.

(3) The improvements that will be undertaken in the motorsports investment district will protect or increase state and local tax bases and tax revenues.

(c) A motorsports investment district consists of:

(1) the geographic area that is included within the qualified motorsports facility; and

(2) adjacent property that is:

(A) related to the operation of the qualified motorsports facility; and

(B) owned by the owner of the qualified motorsports facility;

as determined in the resolution adopted by the commission.

Sec. 25. A resolution establishing a motorsports investment district must state an expiration date for the motorsports investment district, which must be not later than twenty (20) years after the date of the adoption of the resolution. The commission shall specify in the resolution the geographic area that is included within the motorsports investment district.

Sec. 26. The department may adopt rules under IC 4-22-2 and

guidelines to govern the transfer of qualified revenue to the motorsports investment district.

Sec. 27. Upon adoption by the commission of a resolution establishing a motorsports investment district under this chapter, the commission shall submit the resolution to the budget agency.

Sec. 28. (a) The budget agency, after review by the budget committee, shall approve the resolution establishing the motorsports investment district if the budget agency finds that the improvements to be made within the qualified motorsports facility are economically sound and will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the motorsports investment district.

(b) The maximum amount of qualified revenue that may be deposited in the motorsports investment district fund in a state fiscal year is five million dollars ($5,000,000).

(c) Qualified revenue may be deposited in the motorsports investment district fund for twenty (20) years.

Sec. 29. (a) If the commission adopts a resolution establishing a motorsports investment district, the commission shall notify the department in an electronic format approved by the department of the adoption of the resolution and shall include with the notification a complete list of the following:

(1) Employers in the motorsports investment district.

(2) Street names and the range of street numbers of each street in the motorsports investment district.

(b) The commission shall update the list prepared under subsection (a) before July 1 of each year.

Sec. 30. (a) If a motorsports investment district is established under this chapter, a state fund known as the motorsports investment district fund is established for the motorsports investment district. The fund shall be administered by the department. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) The department shall deposit qualified revenue in the motorsports investment district fund as provided in this chapter. The commission may use money in the fund for the purposes of this chapter.

(c) All distributions from the motorsports investment district

fund shall be made by warrants issued by the auditor of state to the treasurer of state ordering those distributions to the commission.

(d) Distributions from the motorsports investment district fund to the commission may be used for repaying bonds issued to finance real and personal property improvements at a qualified motorsports facility as described in section 31 of this chapter.

Sec. 31. The authority may do any of the following:

(1) Finance the improvement, construction, reconstruction, renovation, and acquisition of real and personal property improvements within a qualified motorsports facility.

(2) Exercise the authority's powers under IC 4-4-11 within a qualified motorsports facility.

Sec. 32. The commission may annually loan money received under section 30 of this chapter to a qualified motorsports facility to repay in whole or in part bonds issued by the authority to finance the real and personal property improvements authorized by section 31 of this chapter. Improvements financed under this chapter must be approved by the commission. A qualified motorsports facility shall repay the loan in the manner prescribed by IC 4-10-23-11.

Sec. 33. The commission shall perfect a security interest under IC 26-1-9.1 with respect to each personal property improvement financed under this chapter. Notwithstanding IC 26-1-9.1-334, a security interest perfected under this section is superior to any other lien on the property of the qualified motorsports facility other than a lien for taxes. The amount of the security interest must be satisfied if:

(1) controlling interest in a qualified motorsports facility is sold after bonds are issued under this chapter; or

(2) the bonds are defeased.

Sec. 34. (a) Subject to subsection (f), the authority may issue bonds for the purpose of obtaining money to pay the cost of improving, constructing, reconstructing, renovating, acquiring, or equipping improvements within a qualified motorsports facility.

(b) The terms and form of the bonds must be set out either in the resolution or in a form of trust indenture approved by the resolution.

(c) The bonds must mature within twenty (20) years.

(d) The commission shall sell the bonds at public or private sale upon the terms determined by the commission.

(e) All money received from any bonds issued under this chapter shall be applied to the payment of the cost of improving, constructing, reconstructing, renovating, acquiring, or equipping improvements within a qualified motorsports facility, or payment of the cost of refunding or refinancing outstanding bonds for which the bonds are issued. The cost may include:

(1) planning and development of the improvement and all buildings, facilities, structures, and improvements related to it;

(2) acquisition of a site and clearing and preparing the site for construction;

(3) equipment, facilities, structures, and improvements that are necessary or desirable to make the capital improvement suitable for use and operations;

(4) architectural, engineering, consultant, and attorney's fees;

(5) incidental expenses in connection with the issuance and sale of bonds;

(6) reserves for principal and interest;

(7) interest during construction;

(8) financial advisory fees;

(9) insurance during construction;

(10) bond insurance, debt service reserve insurance, letters of credit, or other credit enhancement; and

(11) in the case of refunding or refinancing, payment of the principal of, redemption premiums (if any) for, and interest on the bonds being refunded or refinanced.

(f) The authority may not issue bonds under this chapter unless the qualified motorsports facility, the authority, and the commission have entered into a written agreement concerning the terms of the financing of the improvements financed under this chapter.

Sec. 35. (a) This chapter contains full and complete authority for the issuance of bonds improvements within a motorsports investment district. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the commission or any other officer, department, agency, or instrumentality of the

state or of any political subdivision is required to issue any bonds under this chapter, except as prescribed in this chapter.

(b) Bonds issued under this chapter are legal investments for private trust funds and the funds of banks, trust companies, insurance companies, building and loan associations, credit unions, banks of discount and deposit, savings banks, loan and trust and safe deposit companies, rural loan and savings associations, guaranty loan and savings associations, mortgage guaranty companies, small loan companies, industrial loan and investment companies, and other financial institutions organized under Indiana law.

Sec. 36. (a) The authority may secure bonds issued under this chapter by a trust indenture between the authority and a corporate trustee, which may be any trust company or national or state bank within Indiana that has trust powers.

(b) The trust indenture may:

(1) pledge or assign qualified revenue, but may not mortgage land or capital improvements;

(2) contain reasonable and proper provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants setting forth the duties of the authority;

(3) set forth the rights and remedies of bondholders and trustee; and

(4) restrict the individual right of action of bondholders.

(c) Any pledge or assignment made by the authority under this section is valid and binding from the time that the pledge or assignment is made, against all persons whether or not they have notice of the lien. Any trust indenture by which a pledge is created or an assignment made need not be filed or recorded. The lien is perfected against third parties by filing the trust indenture in the records of the authority.

Sec. 37. Any action to contest the validity of bonds to be issued under this chapter may not be brought after the fifteenth day following:

(1) the receipt of bids for the bonds, if the bonds are sold at public sale; or

(2) the publication one (1) time in a newspaper of general circulation published in the county of notice of the execution

and delivery of the contract for the sale of bonds;
whichever occurs first.

Sec. 38. The commission is subject to the provisions of 25 IAC 5 concerning equal opportunities for minority business enterprises and women's business enterprises to participate in procurement and contracting processes. In addition, the commission shall set goals for participation by minority business enterprises of fifteen percent (15%), women's business enterprises of eight percent (8%), and veteran or disabled business enterprises of three percent (3%), consistent with the goals of delivering the project on time and within the budgeted amount and, insofar as possible, using Indiana businesses for employees, goods, and services. In fulfilling the goals, the commission shall take into account historical precedents in the same market.

SECTION 10. IC 5-28-36 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]:

Chapter 36. Motorsports Improvement Program and Fund

Sec. 1. (a) As used in this chapter, "motorsports enterprise" means:

(1) any race track, drag strip, or road course that is opened to the public for conducting the lawful racing of cars, trucks, motorcycles, or all terrain vehicles;

(2) a person engaged in the business of repairing, fabricating, manufacturing, or distributing vehicles, parts, equipment, or other items used in motorsports; or

(3) a person engaged in motorsports racing as an owner or driver.

(b) However, the term does not include:

(1) a facility located in a motorsports investment district established under IC 5-1-17.5;

(2) a facility constructed to host the home games of a professional football or basketball team;

(3) a facility other than a facility described in subdivision (2) that is temporarily adapted for conducting a racing event;

(4) the state fairgrounds; or

(5) a county fairgrounds.

Sec. 2. As used in this chapter, "person" means any individual

or entity.

Sec. 3. (a) The motorsports improvement fund is established within the state treasury. The fund is a revolving fund to provide loans for enhancing the development of the motorsports industry in Indiana.

(b) The fund consists of:

(1) appropriations from the general assembly;

(2) amounts received under IC 4-35-7-15(b)(4); and

(3) loan repayments.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

(1) Expenses of administering the fund.

(2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

(d) Earnings from loans made under this chapter shall be deposited in the fund.

(e) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund.

Sec. 4. (a) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(b) The treasurer of state shall also:

(1) receive cash receipts belonging to the fund, deposit these amounts in the fund, and submit a monthly report to the corporation of these transactions; and

(2) make payments on vouchers authorized by the corporation.

Sec. 5. (a) A person owning a motorsports enterprise may apply to the corporation for a loan from the fund to be used for improving the motorsports enterprise owned by the person.

(b) An amount loaned to a person is an obligation of the person and shall be repaid to the corporation within a time to be fixed by the corporation.

(c) The corporation shall determine interest rates for the loans to be made under this section.

(d) If a person fails to make repayment of money loaned under this section, the amount payable may be recovered in an action by

the state on relation of the corporation, prosecuted by the attorney general, in the circuit or superior court of the county in which the person's motorsports enterprise is located.

SECTION 11. IC 6-8-14 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014]:

Chapter 14. Motorsports Investment District Admissions Fee

Sec. 1. This chapter applies to a motorsports investment district established under IC 5-1-17.5.

Sec. 2. As used in this chapter, "commission" refers to the Indiana motorsports commission created under IC 5-1-17.5.

Sec. 3. As used in this chapter, "district" refers to a motorsports investment district established under IC 5-1-17.5.

Sec. 4. As used in this chapter, "qualified motorsports facility" has the meaning set forth in IC 5-1-17.5-13.

Sec. 5. As used in this chapter, "race day" means a day on which a race is conducted in which a competitor may earn points towards a series championship.

Sec. 6. (a) An admissions fee is imposed on each person charged for admission to a qualified motorsports facility on a race day. The admissions fee equals:

(1) the price of each admission to a qualified motorsports facility; multiplied by

(2) the applicable percentage determined under subsection (b).

(b) The applicable percentage is as follows:

(1) Six percent (6%) on any admissions charge of at least one hundred fifty dollars ($150).

(2) Three percent (3%) on any admissions charge of at least one hundred dollars ($100) but less than one hundred fifty dollars ($150).

(3) Two percent (2%) on any admissions charge of less than one hundred dollars ($100).

(c) The fee imposed under subsection (a) does not apply to any amount charged for parking at a qualified motorsports facility.

Sec. 7. Each person who pays a price for admission to a qualified motorsports facility on a race day is liable for the fee imposed under this chapter.

Sec. 8. The person who collects the price for admission shall also collect the admissions fee imposed with respect to the price for admission. The person shall collect the fee at the same time the price for admission is paid, regardless of whether the price paid is for a single admission, for season tickets, or for any other admission arrangement. In addition, the person shall collect the fee as an agent of the state.

Sec. 9. A person who collects an admissions fee under section 8 of this chapter shall remit the fee collections to the department of state revenue. The person shall remit the fees collected during a particular month before the fifteenth day of the following month. At the time the fees are remitted, the person shall file a return on the form prescribed by the department of state revenue.

Sec. 10. The department of state revenue shall deposit the fees remitted under this chapter in the state general fund.

SECTION 12. [EFFECTIVE UPON PASSAGE] **(a) This SECTION applies to slot machine wagering conducted under IC 4-35.**

(b) The following apply to the adjusted gross receipts of slot machine wagering occurring before July 1, 2013:

(1) Subject to subdivision (2), a licensee shall make the transfers required by IC 4-35-7-12 (as in effect on January 1, 2013) with respect to the adjusted gross receipts of slot machine wagering occurring in June 2013.

(2) A licensee shall adjust the transfers required by subdivision (1) in accordance with IC 4-35-7-12(j) (as in effect on January 1, 2013).

(3) A licensee shall make the transfers required by subdivision (1) before July 15, 2013.

(c) This SECTION expires January 1, 2014.

1 SECTION 13. **An emergency is declared for this act.**".
2 Delete pages 2 through 11.
3 Renumber all SECTIONS consecutively.
(Reference is to SB 91 as reprinted February 19, 2013.)

and when so amended that said bill do pass.

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Representative Brown T