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# SENATE BILL No. 585

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-33; IC 6-1.1-18.5-22.5; IC 8-10-1-31; IC 8-22-3; IC 16-19-3-30.

**Synopsis:** State and local administration. 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. Requires the department of local government finance to increase the maximum property tax levy of the city of Gary. Decreases the maximum property tax levy of the Gary Sanitary District to zero, and provides that beginning with property taxes first due and payable after December 31, 2013, the district may not impose a property tax levy for its general fund. Effective January 1, 2014, changes the membership of the board of an airport authority (board) originally established by the city of Gary. Specifies that the affirmative votes of at least six members of the board are necessary to authorize any action of the airport authority, but provides that for certain matters this minimum number of affirmative votes must include the affirmative vote of the member appointed by the governor to serve as chairperson of the board. Specifies that the Indiana finance authority shall contract with a certified public accountant for an annual financial audit of the airport authority. Provides that the state board of accounts may at any time conduct an audit of any phase of the operations of the airport authority. Requires the ports of Indiana commission to report to the budget committee not later than December 1, 2013, on the feasibility and economic impact of establishing a second port to serve Lake Michigan. Requires the state department of health to investigate and study whether there is a need for a level 1 trauma center in northwestern Indiana.

**Effective:** July 1, 2013; January 1, 2014.

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## Charbonneau

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January 15, 2013, read first time and referred to Committee on Public Policy.

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First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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## SENATE BILL No. 585



A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

1 SECTION 1. IC 4-33-2-17, AS AMENDED BY P.L.15-2011,  
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2013]: Sec. 17. "Riverboat" means any of the following on  
4 which lawful gambling is authorized under this article:

- 5 (1) A self-propelled excursion boat located in a county described
- 6 in IC 4-33-1-1(1) or IC 4-33-1-1(2) that complies with
- 7 IC 4-33-6-6(a).
- 8 (2) A casino located in a historic hotel district.
- 9 (3) A permanently moored craft operating from a county
- 10 described in IC 4-33-1-1(1) or IC 4-33-1-1(2).

11 **(4) A casino constructed under IC 4-33-6-24 in Gary.**

12 SECTION 2. IC 4-33-2-20 IS ADDED TO THE INDIANA CODE  
13 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
14 1, 2013]: **Sec. 20. "Home" means the city or county designated as**  
15 **the home of a riverboat by IC 4-33-9-17.**

16 SECTION 3. IC 4-33-4-1 IS AMENDED TO READ AS FOLLOWS  
17 [EFFECTIVE JULY 1, 2013]: Sec. 1. (a) The commission has the



1 following powers and duties for the purpose of administering,  
 2 regulating, and enforcing the system of riverboat gambling established  
 3 under this article:

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

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

41 SECTION 4. IC 4-33-4-13, AS AMENDED BY P.L.15-2011,  
 42 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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- 1 JULY 1, 2013]: Sec. 13. (a) This section does not apply to a riverboat:  
 2 (1) located in a historic hotel district; **or**  
 3 (2) **constructed under IC 4-33-6-24.**  
 4 (b) After consulting with the United States Army Corps of  
 5 Engineers, the commission may do the following:  
 6 (1) Determine the waterways that are navigable waterways for  
 7 purposes of this article.  
 8 (2) Determine the navigable waterways that are suitable for the  
 9 operation of riverboats under this article.  
 10 (3) Approve a plan submitted under IC 4-33-6-23 for:  
 11 (A) the construction of a new permanently moored craft; or  
 12 (B) the conversion of a self-propelled excursion boat into a  
 13 permanently moored craft.  
 14 (c) In determining the navigable waterways on which riverboats may  
 15 operate, the commission shall do the following:  
 16 (1) Obtain any required approvals from the United States Army  
 17 Corps of Engineers for the operation of riverboats on those  
 18 waterways.  
 19 (2) Consider the economic benefit that riverboat gambling  
 20 provides to Indiana.  
 21 (3) Seek to ensure that all regions of Indiana share in the  
 22 economic benefits of riverboat gambling.  
 23 SECTION 5. IC 4-33-4-17 IS AMENDED TO READ AS  
 24 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 17. (a) The commission  
 25 shall decide promptly and in reasonable order all license applications.  
 26 (b) ~~Notwithstanding any provision of this article, no owner's license~~  
 27 ~~may be granted for any riverboat that is not to be docked in the city~~  
 28 ~~described under IC 4-33-6-1(a)(1) until the earlier of:~~  
 29 ~~(1) the issuance of an owner's license for a riverboat that is to be~~  
 30 ~~docked in the city described under IC 4-33-6-1(a)(1); or~~  
 31 ~~(2) September 1, 1994.~~  
 32 (c) (b) A party aggrieved by an action of the commission denying,  
 33 suspending, revoking, restricting, or refusing the renewal of a license  
 34 may request a hearing before the commission. A request for a hearing  
 35 must be made to the commission in writing not more than ten (10) days  
 36 after service of notice of the action of the commission.  
 37 (d) (c) The commission shall serve notice of the commission's  
 38 actions to a party by personal delivery or by certified mail. Notice  
 39 served by certified mail is considered complete on the business day  
 40 following the date of the mailing.  
 41 (e) (d) The commission shall conduct all requested hearings  
 42 promptly and in reasonable order.

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1 SECTION 6. IC 4-33-5-1 IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2013]: Sec. 1. An applicant for a license or an  
 3 operating agent contract under this article must provide the following  
 4 information to the commission:

5 (1) The name, business address, and business telephone number  
 6 of the applicant.

7 (2) An identification of the applicant.

8 (3) The following information for an applicant that is not an  
 9 individual:

10 (A) The state of incorporation or registration.

11 (B) The names of all corporate officers.

12 (C) The identity of the following:

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

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

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

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

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

35 (i) The court.

36 (ii) The arresting agency.

37 (iii) The prosecuting agency.

38 (B) The case number.

39 (C) The date and type of offense.

40 (D) The disposition of the case.

41 (E) The location and length of incarceration.

42 (6) If the applicant has had a license or certificate issued by a

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1 licensing authority in Indiana or any other jurisdiction denied,  
 2 restricted, suspended, revoked, or not renewed. An applicant must  
 3 provide the following information under this subdivision:

4 (A) A statement describing the facts and circumstances  
 5 concerning the denial, restriction, suspension, revocation, or  
 6 nonrenewal.

7 (B) The date each action described in clause (A) was taken.

8 (C) The reason each action described in clause (A) was taken.

9 (7) If the applicant has:

10 (A) filed or had filed against the applicant a proceeding in  
 11 bankruptcy; or

12 (B) been involved in a formal process to adjust, defer,  
 13 suspend, or work out the payment of a debt;

14 including the date of filing, the name and location of the court,  
 15 and the case and number of the disposition.

16 (8) If the applicant has filed or been served with a complaint or  
 17 notice filed with a public body concerning:

18 (A) a delinquency in the payment of; or

19 (B) a dispute over a filing concerning the payment of;

20 a tax required under federal, state, or local law, including the  
 21 amount, type of tax, the taxing agency, and times involved.

22 (9) A statement listing the names and titles of public officials or  
 23 officers of units of government and relatives of the public officials  
 24 or officers who directly or indirectly:

25 (A) have a financial interest in;

26 (B) have a beneficial interest in;

27 (C) are the creditors of;

28 (D) hold a debt instrument issued by; or

29 (E) have an interest in a contractual or service relationship  
 30 with;

31 an applicant.

32 (10) If an applicant for an operating agent contract or an owner's  
 33 or a supplier's license has directly or indirectly made a political  
 34 contribution, loan, donation, or other payment to a candidate or an  
 35 office holder in Indiana not more than five (5) years before the  
 36 date the applicant filed the application. An applicant must provide  
 37 information concerning the amount and method of a payment  
 38 described in this subdivision.

39 (11) The name and business telephone number of the attorney  
 40 who will represent the applicant in matters before the  
 41 commission.

42 (12) A description of a proposed or an approved riverboat gaming

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1 operation, including the following information:

- 2 (A) The type of ~~boat~~ **riverboat**.
- 3 (B) The **site or** home dock location **of the riverboat**.
- 4 (C) The expected economic benefit to local communities.
- 5 (D) The anticipated or actual number of employees.
- 6 (E) Any statements from the applicant concerning compliance
- 7 with federal and state affirmative action guidelines.
- 8 (F) Anticipated or actual admissions.
- 9 (G) Anticipated or actual adjusted gross gaming receipts.
- 10 (13) A description of the product or service to be supplied by the
- 11 applicant if the applicant has applied for a supplier's license.
- 12 (14) The following information from each licensee or operating
- 13 agent involved in the ownership or management of gambling
- 14 operations:

- 15 (A) An annual balance sheet.
- 16 (B) An annual income statement.
- 17 (C) A list of the stockholders or other persons having at least
- 18 a one percent (1%) beneficial interest in the gambling
- 19 activities of the person who has been issued the owner's
- 20 license or operating agent contract.
- 21 (D) Any other information the commission considers
- 22 necessary for the effective administration of this article.

23 SECTION 7. IC 4-33-6-1, AS AMENDED BY P.L.137-2012,  
 24 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JULY 1, 2013]: Sec. 1. (a) The commission may issue to a person a  
 26 license to own a riverboat subject to the numerical and geographical  
 27 limitation of owner's licenses under this section, section 3.5 of this  
 28 chapter, and IC 4-33-4-17. ~~However,~~ **Except as provided in**  
 29 **subsection (d)**, not more than ten (10) owner's licenses may be in  
 30 effect at any time. ~~Except as provided in subsection (b), those ten (10)~~  
 31 Licenses **are must be issued** as follows:

32 (1) **Not more than** two (2) licenses for a ~~riverboat that operates~~  
 33 ~~from not more than two (2) riverboats that are authorized to~~  
 34 **operate in** the city of Gary **in accordance with either of the**  
 35 **following:**

36 (A) **Two (2) riverboats may be operated from docks on**  
 37 **Lake Michigan at the sites approved before January 1,**  
 38 **2013.**

39 (B) **Only one (1) riverboat may be operated within the city**  
 40 **limits after December 31 of the calendar year in which**  
 41 **gambling operations commence at an inland casino**  
 42 **approved under section 24 of this chapter.**

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- 1 (2) One (1) license for a riverboat that operates from the city of  
 2 Hammond.
- 3 (3) One (1) license for a riverboat that operates from the city of  
 4 East Chicago.
- 5 (4) One (1) license for a city located in the counties described  
 6 under IC 4-33-1-1(1). This license may not be issued to a city  
 7 described in subdivisions (1) through (3).
- 8 (5) A total of five (5) licenses for riverboats that operate upon the  
 9 Ohio River from the following counties:
- 10 (A) Vanderburgh County.
- 11 (B) Harrison County.
- 12 (C) Switzerland County.
- 13 (D) Ohio County.
- 14 (E) Dearborn County.
- 15 The commission may not issue a license to an applicant if the  
 16 issuance of the license would result in more than one (1) riverboat  
 17 operating from a county described in this subdivision.
- 18 ~~(b) If a city described in subsection (a)(2) or (a)(3) conducts two (2)~~  
 19 ~~elections under section 20 of this chapter, and the voters of the city do~~  
 20 ~~not vote in favor of permitting riverboat gambling at either of those~~  
 21 ~~elections, the license assigned to that city under subsection (a)(2) or~~  
 22 ~~(a)(3) may be issued to any city that:~~
- 23 ~~(1) does not already have a riverboat operating from the city; and~~  
 24 ~~(2) is located in a county described in IC 4-33-1-1(1).~~
- 25 ~~(e)~~ (b) In addition to its power to issue owner's licenses under  
 26 subsection (a), the commission may also enter into a contract under  
 27 IC 4-33-6.5 with respect to the operation of one (1) riverboat on behalf  
 28 of the commission in a historic hotel district.
- 29 ~~(d)~~ (c) A person holding an owner's license may not move the  
 30 person's riverboat from the county in which the riverboat was docked  
 31 on January 1, 2007, to any other county.
- 32 **(d) The maximum number of owner's licenses that may be in**  
 33 **effect at any time after December 31 of the calendar year in which**  
 34 **gambling operations commence at an inland casino in Gary is nine**  
 35 **(9).**
- 36 SECTION 8. IC 4-33-6-4 IS AMENDED TO READ AS FOLLOWS  
 37 [EFFECTIVE JULY 1, 2013]: Sec. 4. (a) In determining whether to  
 38 grant an owner's license to an applicant, the commission shall consider  
 39 the following:
- 40 (1) The character, reputation, experience, and financial integrity  
 41 of the following:
- 42 (A) The applicant.

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

18 (b) **This subsection does not apply to an applicant applying for**  
 19 **a license to operate a riverboat constructed under section 24 of this**  
 20 **chapter.** In an application for an owner's license, the applicant must  
 21 submit to the commission a proposed design of the riverboat and the  
 22 dock. The commission may not grant a license to an applicant if the  
 23 commission determines that it will be difficult or unlikely for the  
 24 riverboat to depart from the dock.

25 SECTION 9. IC 4-33-6-5 IS AMENDED TO READ AS FOLLOWS  
 26 [EFFECTIVE JULY 1, 2013]: Sec. 5. (a) **This section does not apply**  
 27 **to an application concerning a riverboat constructed under section**  
 28 **24 of this chapter.**

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

32 SECTION 10. IC 4-33-6-6, AS AMENDED BY P.L.15-2011,  
 33 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2013]: Sec. 6. (a) Except as provided in subsection (c) or (d),  
 35 a riverboat that operates in a county described in IC 4-33-1-1(1) or  
 36 IC 4-33-1-1(2) must:

- 37 (1) have either:
- 38 (A) a valid certificate of inspection from the United States
- 39 Coast Guard for the carrying of at least five hundred (500)
- 40 passengers; or
- 41 (B) a valid certificate of compliance with marine structural and
- 42 life safety standards determined by the commission; and

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

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

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

11 **(d) A riverboat constructed under section 24 of this chapter  
12 must comply with:**

13 **(1) all applicable building codes; and**

14 **(2) any construction and safety requirements imposed by the  
15 commission.**

16 SECTION 11. IC 4-33-6-10 IS AMENDED TO READ AS  
17 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 10. (a) An owner's  
18 license issued under this chapter permits the holder to own and operate  
19 one (1) riverboat and equipment for each license.

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

23 (c) An owner's license issued under this chapter must specify:

24 **(1) the place where the riverboat must operate and dock; or**

25 **(2) in the case of a riverboat constructed under section 24 of  
26 this chapter, the place where the riverboat is located.**

27 However, the commission may permit ~~the~~ a riverboat to dock at a  
28 temporary dock in the applicable city for a specific period of time not  
29 to exceed one (1) year after the owner's license is issued.

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

32 SECTION 12. IC 4-33-6-18 IS AMENDED TO READ AS  
33 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 18. (a) This subsection  
34 applies to cities described in section 1(a)(1) through 1(a)(4) ~~or section~~  
35 ~~(1)(b)~~ of this chapter. The commission may not issue a license  
36 authorizing a riverboat to dock in a city unless the legislative body of  
37 the city has approved an ordinance permitting the docking of riverboats  
38 in the city.

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

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1 riverboats in the county has been approved by the legislative body of  
 2 the largest city in the county. The license must specify that the home  
 3 dock of the riverboat is to be located in the largest city in the county.

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

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

15 **(e) An ordinance adopted before June 30, 2013, authorizing a**  
 16 **riverboat to dock in a city is sufficient to authorize the operation**  
 17 **in the city of a riverboat constructed under section 24 of this**  
 18 **chapter.**

19 SECTION 13. IC 4-33-6-24 IS ADDED TO THE INDIANA CODE  
 20 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 21 1, 2013]: **Sec. 24. (a) This section applies only to a licensed owner**  
 22 **that operates a gambling operation in Gary.**

23 **(b) A licensed owner may submit to the commission a plan for**  
 24 **the construction of an inland casino within the city limits of Gary.**  
 25 **The plan must include the proposed design of the casino and any**  
 26 **related facilities and amenities.**

27 **(c) If the commission determines that the plan:**

- 28 **(1) promotes economic development within the city of Gary;**  
 29 **(2) would result in property being available for use by the**  
 30 **ports of Indiana or would otherwise assist the ports of Indiana**  
 31 **in carrying out its powers and responsibilities under IC 8-10;**  
 32 **and**

33 **(3) satisfies the requirements of this section;**

34 **the commission shall approve the licensed owner's plan. However,**  
 35 **not more than one (1) gambling operation may be relocated under**  
 36 **this section.**

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

39 **(1) The proposed facilities of the casino and any related**  
 40 **facilities and amenities.**

41 **(2) The highest prospective total revenue to be collected by the**  
 42 **state from the conduct of gambling at the casino.**

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- 1           **(3) The good faith affirmative action plan of the licensed**
- 2           **owner to recruit, train, and upgrade minorities in all**
- 3           **employment classifications.**
- 4           **(4) The financial ability of the licensed owner to purchase and**
- 5           **maintain adequate liability and casualty insurance.**
- 6           **(5) If the licensed owner has adequate capitalization to**
- 7           **provide and maintain a casino for the duration of the license.**
- 8           **(6) The extent to which the licensed owner exceeds or meets**
- 9           **other standards adopted by the commission.**
- 10          **(e) If the commission approves a licensed owner's plan to**
- 11          **relocate a riverboat gambling operation under this section, the**
- 12          **commission may not renew an owner's license for a second**
- 13          **riverboat gambling operation located in Gary for a calendar year**
- 14          **beginning after December 31 of the calendar year in which**
- 15          **gambling operations commence at an inland casino in Gary.**
- 16          SECTION 14. IC 4-33-9-10.5, AS ADDED BY P.L.15-2011,
- 17          SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 18          JULY 1, 2013]: Sec. 10.5. (a) A licensed owner or an operating agent
- 19          may apply to the commission for approval to conduct card tournaments
- 20          at a facility other than the riverboat on which the licensed owner or
- 21          operating agent is authorized to conduct gambling games under this
- 22          article.
- 23          (b) The application must specify the facility in which the licensed
- 24          owner or operating agent will conduct the card tournament if the
- 25          application is approved. The facility must be in a hotel or other
- 26          permanent structure that is:
- 27                (1) owned or leased by the licensed owner or operating agent; and
- 28                (2) located on land that is adjacent to:
- 29                      (A) the dock to which the applicant's riverboat is moored; or
- 30                      (B) the land on which the applicant's riverboat is situated, in
- 31                      the case of an application submitted by:
- 32                              **(i) an operating agent; or**
- 33                              **(ii) a licensed owner that operates a riverboat**
- 34                              **constructed under IC 4-33-6-24.**
- 35          (c) The application must be submitted on a form prescribed by the
- 36          commission. The application must state the:
- 37                (1) date;
- 38                (2) time;
- 39                (3) place; and
- 40                (4) nature;
- 41          of the proposed card tournament. The commission may require the
- 42          applicant to submit any additional information relevant to the

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1 commission's consideration of the application.

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

6 SECTION 15. IC 4-33-9-15 IS AMENDED TO READ AS  
7 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 15. (a) All tokens,  
8 chips, or electronic cards that are used to make wagers must be  
9 purchased from the owner or operating agent of the riverboat:

10 (1) while on ~~board~~ **the premises of** the riverboat; or

11 (2) at an on-shore facility that:

12 (A) has been approved by the commission; and

13 (B) is located where the riverboat docks.

14 (b) The tokens, chips, or electronic cards may be purchased by  
15 means of an agreement under which the owner or operating agent  
16 extends credit to the patron.

17 SECTION 16. IC 4-33-9-17 IS ADDED TO THE INDIANA CODE  
18 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY  
19 1, 2013]: **Sec. 17. The following are designated as the homes of the**  
20 **riverboats operating under this article:**

21 **(1) The city in which a riverboat described in IC 4-33-2-17(1)**  
22 **or IC 4-33-2-17(3) is docked, if the riverboat is docked in:**

23 **(A) a city adjacent to Lake Michigan; or**

24 **(B) the largest city of a county adjacent to the Ohio River.**

25 **(2) The county in which a riverboat described in**  
26 **IC 4-33-2-17(1) or IC 4-33-2-17(3) is docked, if the riverboat:**

27 **(A) is docked in a county that is adjacent to the Ohio**  
28 **River; but**

29 **(B) is not docked in the largest city of that county.**

30 **(3) The county in which the riverboat described in**  
31 **IC 4-33-2-17(2) is located.**

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

34 SECTION 17. IC 4-33-9-18 IS ADDED TO THE INDIANA CODE  
35 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY  
36 1, 2013]: **Sec. 18. Notwithstanding IC 4-33-6-10(b) and**  
37 **IC 4-33-6-21(a), a licensed owner that operates a riverboat**  
38 **constructed under IC 4-33-6-24 shall implement flexible**  
39 **scheduling.**

40 SECTION 18. IC 4-33-11-2 IS AMENDED TO READ AS  
41 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2. An appeal of a final  
42 rule or order of the commission may be commenced under IC 4-21.5 in



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1 the circuit court of the county containing the ~~dock where home of the~~  
 2 riverboat. ~~is based.~~

3 SECTION 19. IC 4-33-12-6, AS AMENDED BY P.L.119-2012,  
 4 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5 JULY 1, 2013]: Sec. 6. (a) The department shall place in the state  
 6 general fund the tax revenue collected under this chapter.

7 (b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7,  
 8 the treasurer of state shall quarterly pay the following amounts:

9 (1) Except as provided in subsection (k), one dollar (\$1) of the  
 10 admissions tax collected by the licensed owner for each person  
 11 embarking on a gambling excursion during the quarter or  
 12 admitted to a riverboat that has implemented flexible scheduling  
 13 under IC 4-33-6-21 during the quarter shall be paid to:

14 (A) the city in which the riverboat is docked, if the city:

15 (i) is located in a county having a population of more than  
 16 one hundred eleven thousand (111,000) but less than one  
 17 hundred fifteen thousand (115,000); or

18 (ii) is contiguous to the Ohio River and is the largest city in  
 19 the county; and

20 (B) the county in which the riverboat is docked, if the  
 21 riverboat is not docked in a city described in clause (A).

22 (2) Except as provided in subsection (k), one dollar (\$1) of the  
 23 admissions tax collected by the licensed owner for each person:

24 (A) embarking on a gambling excursion during the quarter; or

25 (B) admitted to a riverboat during the quarter that has  
 26 implemented flexible scheduling under IC 4-33-6-21;

27 shall be paid to the county in which the riverboat is docked. In the  
 28 case of a county described in subdivision (1)(B), this one dollar  
 29 (\$1) is in addition to the one dollar (\$1) received under  
 30 subdivision (1)(B).

31 (3) Except as provided in subsection (k), ten cents (\$0.10) of the  
 32 admissions tax collected by the licensed owner for each person:

33 (A) embarking on a gambling excursion during the quarter; or

34 (B) admitted to a riverboat during the quarter that has  
 35 implemented flexible scheduling under IC 4-33-6-21;

36 shall be paid to the county convention and visitors bureau or  
 37 promotion fund for the county in which the riverboat is docked.

38 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of  
 39 the admissions tax collected by the licensed owner for each  
 40 person:

41 (A) embarking on a gambling excursion during the quarter; or

42 (B) admitted to a riverboat during a quarter that has

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1 implemented flexible scheduling under IC 4-33-6-21;  
 2 shall be paid to the state fair commission, for use in any activity  
 3 that the commission is authorized to carry out under IC 15-13-3.

4 (5) Except as provided in subsection (k), ten cents (\$0.10) of the  
 5 admissions tax collected by the licensed owner for each person:

6 (A) embarking on a gambling excursion during the quarter; or

7 (B) admitted to a riverboat during the quarter that has  
 8 implemented flexible scheduling under IC 4-33-6-21;

9 shall be paid to the division of mental health and addiction. The  
 10 division shall allocate at least twenty-five percent (25%) of the  
 11 funds derived from the admissions tax to the prevention and  
 12 treatment of compulsive gambling.

13 (6) Except as provided in subsection (k) and section 7 of this  
 14 chapter, sixty-five cents (\$0.65) of the admissions tax collected by  
 15 the licensed owner for each person embarking on a gambling  
 16 excursion during the quarter or admitted to a riverboat during the  
 17 quarter that has implemented flexible scheduling under  
 18 IC 4-33-6-21 shall be paid to the Indiana horse racing commission  
 19 to be distributed as follows, in amounts determined by the Indiana  
 20 horse racing commission, for the promotion and operation of  
 21 horse racing in Indiana:

22 (A) To one (1) or more breed development funds established by  
 23 the Indiana horse racing commission under IC 4-31-11-10.

24 (B) To a racetrack that was approved by the Indiana horse  
 25 racing commission under IC 4-31. The commission may make  
 26 a grant under this clause only for purses, promotions, and  
 27 routine operations of the racetrack. No grants shall be made  
 28 for long term capital investment or construction, and no grants  
 29 shall be made before the racetrack becomes operational and is  
 30 offering a racing schedule.

31 (c) With respect to tax revenue collected from a riverboat located in  
 32 a historic hotel district, the treasurer of state shall quarterly pay the  
 33 following:

34 (1) With respect to admissions taxes collected for a person  
 35 admitted to the riverboat before July 1, 2010, the following  
 36 amounts:

37 (A) Twenty-two percent (22%) of the admissions tax collected  
 38 during the quarter shall be paid to the county treasurer of the  
 39 county in which the riverboat is located. The county treasurer  
 40 shall distribute the money received under this clause as  
 41 follows:

42 (i) Twenty-two and seventy-five hundredths percent

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1 (22.75%) shall be quarterly distributed to the county  
 2 treasurer of a county having a population of more than forty  
 3 thousand (40,000) but less than forty-two thousand (42,000)  
 4 for appropriation by the county fiscal body after receiving a  
 5 recommendation from the county executive. The county  
 6 fiscal body for the receiving county shall provide for the  
 7 distribution of the money received under this item to one (1)  
 8 or more taxing units (as defined in IC 6-1.1-1-21) in the  
 9 county under a formula established by the county fiscal body  
 10 after receiving a recommendation from the county executive.  
 11 (ii) Twenty-two and seventy-five hundredths percent  
 12 (22.75%) shall be quarterly distributed to the county  
 13 treasurer of a county having a population of more than ten  
 14 thousand seven hundred (10,700) but less than twelve  
 15 thousand (12,000) for appropriation by the county fiscal  
 16 body. The county fiscal body for the receiving county shall  
 17 provide for the distribution of the money received under this  
 18 item to one (1) or more taxing units (as defined in  
 19 IC 6-1.1-1-21) in the county under a formula established by  
 20 the county fiscal body after receiving a recommendation  
 21 from the county executive.  
 22 (iii) Fifty-four and five-tenths percent (54.5%) shall be  
 23 retained by the county where the riverboat is located for  
 24 appropriation by the county fiscal body after receiving a  
 25 recommendation from the county executive.  
 26 (B) Five percent (5%) of the admissions tax collected during  
 27 the quarter shall be paid to a town having a population of more  
 28 than two thousand (2,000) but less than three thousand five  
 29 hundred (3,500) located in a county having a population of  
 30 more than nineteen thousand five hundred (19,500) but less  
 31 than twenty thousand (20,000). At least twenty percent (20%)  
 32 of the taxes received by a town under this clause must be  
 33 transferred to the school corporation in which the town is  
 34 located.  
 35 (C) Five percent (5%) of the admissions tax collected during  
 36 the quarter shall be paid to a town having a population of more  
 37 than three thousand five hundred (3,500) located in a county  
 38 having a population of more than nineteen thousand five  
 39 hundred (19,500) but less than twenty thousand (20,000). At  
 40 least twenty percent (20%) of the taxes received by a town  
 41 under this clause must be transferred to the school corporation  
 42 in which the town is located.

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(D) Twenty percent (20%) of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

- (i) is located in the county in which the riverboat is located; and
- (ii) contains a historic hotel.

At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the school corporation in which the town is located.

(E) Ten percent (10%) of the admissions tax collected during the quarter shall be paid to the Orange County development commission established under IC 36-7-11.5. At least one-third (1/3) of the taxes paid to the Orange County development commission under this clause must be transferred to the Orange County convention and visitors bureau.

(F) Thirteen percent (13%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(G) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the Indiana economic development corporation to be used by the corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

- (i) Job creation and retention.
- (ii) Infrastructure, including water, wastewater, and storm water infrastructure needs.
- (iii) Housing.
- (iv) Workforce training.
- (v) Health care.
- (vi) Local planning.
- (vii) Land use.
- (viii) Assistance to regional economic development groups.
- (ix) Other regional development issues as determined by the Indiana economic development corporation.

(2) With respect to admissions taxes collected for a person admitted to the riverboat after June 30, 2010, the following

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amounts:

(A) Twenty-nine and thirty-three hundredths percent (29.33%) to the county treasurer of Orange County. The county treasurer shall distribute the money received under this clause as follows:

(i) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Dubois County for distribution in the manner described in subdivision (1)(A)(i).

(ii) Twenty-two and seventy-five hundredths percent (22.75%) to the county treasurer of Crawford County for distribution in the manner described in subdivision (1)(A)(ii).

(iii) Fifty-four and five-tenths percent (54.5%) to be retained by the county treasurer of Orange County for appropriation by the county fiscal body after receiving a recommendation from the county executive.

(B) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Orleans. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to Orleans Community Schools.

(C) Six and sixty-seven hundredths percent (6.67%) to the fiscal officer of the town of Paoli. At least twenty percent (20%) of the taxes received by the town under this clause must be transferred to the Paoli Community School Corporation.

(D) Twenty-six and sixty-seven hundredths percent (26.67%) to be paid in equal amounts to the fiscal officers of the towns of French Lick and West Baden Springs. At least twenty percent (20%) of the taxes received by a town under this clause must be transferred to the Springs Valley Community School Corporation.

(E) Thirty and sixty-six hundredths percent (30.66%) to the Indiana economic development corporation to be used in the manner described in subdivision (1)(G).

(d) With respect to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has

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- 1 implemented flexible scheduling under IC 4-33-6-21;  
 2 shall be paid to the city in which the riverboat is ~~docked~~ **located**.
- 3 (2) Except as provided in subsection (k), one dollar (\$1) of the  
 4 admissions tax collected by the licensed owner for each person:  
 5 (A) embarking on a gambling excursion during the quarter; or  
 6 (B) admitted to a riverboat during the quarter that has  
 7 implemented flexible scheduling under IC 4-33-6-21;  
 8 shall be paid to the county in which the riverboat is ~~docked~~  
 9 **located**.
- 10 (3) Except as provided in subsection (k), nine cents (\$0.09) of the  
 11 admissions tax collected by the licensed owner for each person:  
 12 (A) embarking on a gambling excursion during the quarter; or  
 13 (B) admitted to a riverboat during the quarter that has  
 14 implemented flexible scheduling under IC 4-33-6-21;  
 15 shall be paid to the county convention and visitors bureau or  
 16 promotion fund for the county in which the riverboat is ~~docked~~  
 17 **located**.
- 18 (4) Except as provided in subsection (k), one cent (\$0.01) of the  
 19 admissions tax collected by the licensed owner for each person:  
 20 (A) embarking on a gambling excursion during the quarter; or  
 21 (B) admitted to a riverboat during the quarter that has  
 22 implemented flexible scheduling under IC 4-33-6-21;  
 23 shall be paid to the northwest Indiana law enforcement training  
 24 center.
- 25 (5) Except as provided in subsection (k), fifteen cents (\$0.15) of  
 26 the admissions tax collected by the licensed owner for each  
 27 person:  
 28 (A) embarking on a gambling excursion during the quarter; or  
 29 (B) admitted to a riverboat during a quarter that has  
 30 implemented flexible scheduling under IC 4-33-6-21;  
 31 shall be paid to the state fair commission for use in any activity  
 32 that the commission is authorized to carry out under IC 15-13-3.
- 33 (6) Except as provided in subsection (k), ten cents (\$0.10) of the  
 34 admissions tax collected by the licensed owner for each person:  
 35 (A) embarking on a gambling excursion during the quarter; or  
 36 (B) admitted to a riverboat during the quarter that has  
 37 implemented flexible scheduling under IC 4-33-6-21;  
 38 shall be paid to the division of mental health and addiction. The  
 39 division shall allocate at least twenty-five percent (25%) of the  
 40 funds derived from the admissions tax to the prevention and  
 41 treatment of compulsive gambling.
- 42 (7) Except as provided in subsection (k) and section 7 of this

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chapter, sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(e) Money paid to a unit of local government under subsection (b), (c), or (d):

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

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

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

(4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction under subsections (b)(5) and (d)(6):

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and

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- 1 addiction at times during each state fiscal year determined by the  
 2 budget agency; and  
 3 (3) shall be used by the division of mental health and addiction  
 4 for programs and facilities for the prevention and treatment of  
 5 addictions to drugs, alcohol, and compulsive gambling, including  
 6 the creation and maintenance of a toll free telephone line to  
 7 provide the public with information about these addictions. The  
 8 division shall allocate at least twenty-five percent (25%) of the  
 9 money received to the prevention and treatment of compulsive  
 10 gambling.
- 11 (h) This subsection applies to the following:
- 12 (1) Each entity receiving money under subsection (b).  
 13 (2) Each entity receiving money under subsection (d)(1) through  
 14 (d)(2).  
 15 (3) Each entity receiving money under subsection (d)(5) through  
 16 (d)(7).
- 17 The treasurer of state shall determine the total amount of money paid  
 18 by the treasurer of state to an entity subject to this subsection during  
 19 the state fiscal year 2002. The amount determined under this subsection  
 20 is the base year revenue for each entity subject to this subsection. The  
 21 treasurer of state shall certify the base year revenue determined under  
 22 this subsection to each entity subject to this subsection.
- 23 (i) This subsection applies to an entity receiving money under  
 24 subsection (d)(3) or (d)(4). The treasurer of state shall determine the  
 25 total amount of money paid by the treasurer of state to the entity  
 26 described in subsection (d)(3) during state fiscal year 2002. The  
 27 amount determined under this subsection multiplied by nine-tenths  
 28 (0.9) is the base year revenue for the entity described in subsection  
 29 (d)(3). The amount determined under this subsection multiplied by  
 30 one-tenth (0.1) is the base year revenue for the entity described in  
 31 subsection (d)(4). The treasurer of state shall certify the base year  
 32 revenue determined under this subsection to each entity subject to this  
 33 subsection.
- 34 (j) This subsection does not apply to an entity receiving money  
 35 under subsection (c). For state fiscal years beginning after June 30,  
 36 2002, the total amount of money distributed to an entity under this  
 37 section during a state fiscal year may not exceed the entity's base year  
 38 revenue as determined under subsection (h) or (i). If the treasurer of  
 39 state determines that the total amount of money distributed to an entity  
 40 under this section during a state fiscal year is less than the entity's base  
 41 year revenue, the treasurer of state shall make a supplemental  
 42 distribution to the entity under IC 4-33-13-5(g).

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1 (k) This subsection does not apply to an entity receiving money  
 2 under subsection (c). For state fiscal years beginning after June 30,  
 3 2002, the treasurer of state shall pay that part of the riverboat  
 4 admissions taxes that:

- 5 (1) exceeds a particular entity's base year revenue; and
- 6 (2) would otherwise be due to the entity under this section;  
 7 to the state general fund instead of to the entity.

8 SECTION 20. IC 4-33-13-5, AS AMENDED BY P.L.119-2012,  
 9 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 10 JULY 1, 2013]: Sec. 5. (a) This subsection does not apply to tax  
 11 revenue remitted by an operating agent operating a riverboat in a  
 12 historic hotel district. After funds are appropriated under section 4 of  
 13 this chapter, each month the treasurer of state shall distribute the tax  
 14 revenue deposited in the state gaming fund under this chapter to the  
 15 following:

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

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

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

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

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

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

42 (b) This subsection applies only to tax revenue remitted by an

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operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

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

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

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

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

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

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

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

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

(B) Twenty-two and twenty-five hundredths percent (22.25%) shall be quarterly distributed to the county treasurer of a

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

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

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

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

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

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

42 (1) exceeds a particular city's or county's base year revenue; and



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- 1 (2) would otherwise be due to the city or county under this  
 2 section;  
 3 to the state general fund instead of to the city or county.
- 4 (d) Each state fiscal year the treasurer of state shall transfer from the  
 5 tax revenue remitted to the state general fund under subsection (a)(3)  
 6 to the build Indiana fund an amount that when added to the following  
 7 may not exceed two hundred fifty million dollars (\$250,000,000):  
 8 (1) Surplus lottery revenues under IC 4-30-17-3.  
 9 (2) Surplus revenue from the charity gaming enforcement fund  
 10 under IC 4-32.2-7-7.  
 11 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.
- 12 The treasurer of state shall make transfers on a monthly basis as needed  
 13 to meet the obligations of the build Indiana fund. If in any state fiscal  
 14 year insufficient money is transferred to the state general fund under  
 15 subsection (a)(3) to comply with this subsection, the treasurer of state  
 16 shall reduce the amount transferred to the build Indiana fund to the  
 17 amount available in the state general fund from the transfers under  
 18 subsection (a)(3) for the state fiscal year.
- 19 (e) Before August 15 of each year, the treasurer of state shall  
 20 distribute the wagering taxes set aside for revenue sharing under  
 21 subsection (a)(1) to the county treasurer of each county that does not  
 22 have a riverboat according to the ratio that the county's population  
 23 bears to the total population of the counties that do not have a  
 24 riverboat. Except as provided in subsection (h), the county auditor shall  
 25 distribute the money received by the county under this subsection as  
 26 follows:  
 27 (1) To each city located in the county according to the ratio the  
 28 city's population bears to the total population of the county.  
 29 (2) To each town located in the county according to the ratio the  
 30 town's population bears to the total population of the county.  
 31 (3) After the distributions required in subdivisions (1) and (2) are  
 32 made, the remainder shall be retained by the county.
- 33 (f) Money received by a city, town, or county under subsection (e)  
 34 or (h) may be used for any of the following purposes:  
 35 (1) To reduce the property tax levy of the city, town, or county for  
 36 a particular year (a property tax reduction under this subdivision  
 37 does not reduce the maximum levy of the city, town, or county  
 38 under IC 6-1.1-18.5).  
 39 (2) For deposit in a special fund or allocation fund created under  
 40 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and  
 41 IC 36-7-30 to provide funding for debt repayment.  
 42 (3) To fund sewer and water projects, including storm water

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1 management projects.

2 (4) For police and fire pensions.

3 (5) To carry out any governmental purpose for which the money  
4 is appropriated by the fiscal body of the city, town, or county.

5 Money used under this subdivision does not reduce the property  
6 tax levy of the city, town, or county for a particular year or reduce  
7 the maximum levy of the city, town, or county under  
8 IC 6-1.1-18.5.

9 (g) This subsection does not apply to an entity receiving money  
10 under IC 4-33-12-6(c). Before September 15 of each year, the treasurer  
11 of state shall determine the total amount of money distributed to an  
12 entity under IC 4-33-12-6 during the preceding state fiscal year. If the  
13 treasurer of state determines that the total amount of money distributed  
14 to an entity under IC 4-33-12-6 during the preceding state fiscal year  
15 was less than the entity's base year revenue (as determined under  
16 IC 4-33-12-6), the treasurer of state shall make a supplemental  
17 distribution to the entity from taxes collected under this chapter and  
18 deposited into the state general fund. Except as provided in subsection  
19 (i), the amount of an entity's supplemental distribution is equal to:

20 (1) the entity's base year revenue (as determined under  
21 IC 4-33-12-6); minus

22 (2) the sum of:

23 (A) the total amount of money distributed to the entity during  
24 the preceding state fiscal year under IC 4-33-12-6; plus

25 (B) any amounts deducted under IC 6-3.1-20-7.

26 (h) This subsection applies only to a county containing a  
27 consolidated city. The county auditor shall distribute the money  
28 received by the county under subsection (e) as follows:

29 (1) To each city, other than a consolidated city, located in the  
30 county according to the ratio that the city's population bears to the  
31 total population of the county.

32 (2) To each town located in the county according to the ratio that  
33 the town's population bears to the total population of the county.

34 (3) After the distributions required in subdivisions (1) and (2) are  
35 made, the remainder shall be paid in equal amounts to the  
36 consolidated city and the county.

37 (i) This subsection applies only to the Indiana horse racing  
38 commission. For each state fiscal year the amount of the Indiana horse  
39 racing commission's supplemental distribution under subsection (g)  
40 must be reduced by the amount required to comply with  
41 IC 4-33-12-7(a).

42 SECTION 21. IC 4-33-13-6 IS AMENDED TO READ AS



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1 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 6. (a) Money paid to a  
2 unit of local government under this chapter:

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

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

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

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

15 SECTION 22. IC 4-33-14-9 IS AMENDED TO READ AS  
16 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 9. (a) This section  
17 applies to a person holding an owner's ~~licenses~~ **license** for ~~riverboats~~  
18 **a riverboat** operated from a city ~~described under IC 4-33-6-1(a)(1)~~  
19 **through IC 4-33-6-1(a)(3): located in Lake County.**

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

23 SECTION 23. IC 4-33-21-7, AS ADDED BY P.L.142-2009,  
24 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
25 JULY 1, 2013]: Sec. 7. (a) A trustee acting under the authority of this  
26 chapter must fulfill the trustee's duties as a fiduciary for the owner of  
27 the riverboat. In addition, the trustee shall consider the effect of the  
28 trustee's actions upon:

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

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

33 (3) the riverboat's employees; and

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

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

40 SECTION 24. IC 6-1.1-18.5-22.5 IS ADDED TO THE INDIANA  
41 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
42 [EFFECTIVE JULY 1, 2013]: **Sec. 22.5. (a) The department of local**

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1 government finance shall increase the maximum permissible ad  
 2 valorem property tax levy of the city of Gary by four million nine  
 3 hundred forty-four thousand nine hundred thirty dollars  
 4 (\$4,944,930). The adjustment made to the maximum permissible ad  
 5 valorem property tax levy of the city of Gary under this subsection  
 6 shall apply to property taxes first due and payable after December  
 7 31, 2013.

8 (b) The department of local government finance shall decrease  
 9 the maximum permissible ad valorem property tax levy for the  
 10 general fund of the Gary Sanitary District to zero dollars (\$0), and  
 11 beginning with property taxes first due and payable after  
 12 December 31, 2013, the Gary Sanitary District may not impose an  
 13 ad valorem property tax levy for its general fund.

14 SECTION 25. IC 8-10-1-31 IS ADDED TO THE INDIANA CODE  
 15 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 16 1, 2013]: **Sec. 31. (a) The commission shall investigate and study the  
 17 feasibility and economic impact of establishing a second port to  
 18 serve Lake Michigan, including channels that are ordinarily  
 19 navigable to Lake Michigan. The commission shall report its  
 20 findings in an electronic format to the budget committee not later  
 21 than December 1, 2013.**

22 (b) This section expires June 30, 2014.

23 SECTION 26. IC 8-22-3-4.3, AS ADDED BY P.L.134-2005,  
 24 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JANUARY 1, 2014]: **Sec. 4.3. (a) Except as provided in section 4.6  
 26 of this chapter,** this section applies only to the board of an airport  
 27 authority that:

- 28 (1) is not located in a county containing a consolidated city;
- 29 (2) is established by a city; and
- 30 (3) has entered into a federal interstate compact.

31 (b) The board of an airport authority described in subsection (a)  
 32 consists of members appointed as follows:

- 33 (1) Four (4) members appointed by the executive of the city in  
 34 which the airport is located. Not more than two (2) members  
 35 appointed under this subdivision may be members of the same  
 36 political party.
- 37 (2) One (1) member appointed by the executive of the county in  
 38 which the airport is located.
- 39 (3) One (1) member appointed by the executive of the county  
 40 (other than the county in which the airport is located) that is  
 41 closest geographically to the airport.
- 42 (4) One (1) member appointed by the governor.



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- 1 (c) A member of the board holds office for four (4) years and until
- 2 the member's successor is appointed and qualified.
- 3 (d) If a vacancy occurs in the board, the authority that appointed the
- 4 member that vacated the board shall appoint an individual to serve for
- 5 the remainder of the unexpired term.
- 6 (e) A board member may be reappointed to successive terms.
- 7 (f) A board member may be impeached under the procedure
- 8 provided for the impeachment of county officers.
- 9 SECTION 27. IC 8-22-3-4.6 IS ADDED TO THE INDIANA CODE
- 10 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
- 11 JANUARY 1, 2014]: **Sec. 4.6. (a) This section applies only to the**
- 12 **board of an airport authority originally established by the city of**
- 13 **Gary.**
- 14 **(b) After December 31, 2013, the board of an airport authority**
- 15 **described in subsection (a) consists of members appointed as**
- 16 **follows:**
- 17 **(1) Four (4) members appointed by the executive of the city of**
- 18 **Gary. Not more than two (2) members appointed under this**
- 19 **subdivision may be members of the same political party.**
- 20 **(2) One (1) member appointed by the county executive of**
- 21 **Lake County.**
- 22 **(3) One (1) member appointed by the county executive of**
- 23 **Porter County.**
- 24 **(4) Five (5) members appointed by the governor as follows:**
- 25 **(A) One (1) member from the three (3) individuals**
- 26 **nominated under subsection (c).**
- 27 **(B) One (1) member from the two (2) individuals**
- 28 **nominated under subsection (d).**
- 29 **(C) One (1) member to serve as chairperson of the board.**
- 30 **(D) Two (2) additional members, each of whom must have**
- 31 **knowledge of and at least five (5) years professional work**
- 32 **experience in at least one (1) of the following:**
- 33 **(i) Aviation.**
- 34 **(ii) Regional economic development.**
- 35 **(iii) Business or finance.**
- 36 **Notwithstanding subsections (e) and (h), the members**
- 37 **appointed by the governor under this subdivision serve at the**
- 38 **pleasure of the governor.**
- 39 **(c) Whenever the board position described in subsection**
- 40 **(b)(4)(A) is vacant, the mayors of the cities of Hammond, East**
- 41 **Chicago, and Crown Point shall each nominate an individual for**
- 42 **appointment to the board. An individual nominated by the mayor**

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1 of a city under this subsection must reside in that city. The  
 2 governor shall appoint one (1) of the individuals nominated under  
 3 this subsection to the board as provided in subsection (b)(4)(A).  
 4 (d) Whenever the board position described in subsection  
 5 (b)(4)(B) is vacant, the mayors of the two (2) largest cities in Porter  
 6 County shall each nominate an individual for appointment to the  
 7 board. An individual nominated by the mayor of a city under this  
 8 subsection must reside in that city. The governor shall appoint one  
 9 (1) of the individuals nominated under this subsection to the board  
 10 as provided in subsection (b)(4)(B).  
 11 (e) A member of the board holds office for four (4) years and  
 12 until the member's successor is appointed and qualified.  
 13 (f) Subject to subsections (c) and (d), if a vacancy occurs on the  
 14 board, the appointing authority that appointed the member who  
 15 vacated the board shall appoint an individual to serve for the  
 16 remainder of the unexpired term.  
 17 (g) A board member may be reappointed to successive terms.  
 18 (h) A board member may be impeached under the procedure  
 19 provided for the impeachment of county officers.  
 20 (i) Except as provided in subsection (j), the affirmative votes of  
 21 at least six (6) members of the board are necessary to authorize any  
 22 action of the airport authority.  
 23 (j) The minimum number of affirmative votes required to take  
 24 any of the following actions must include the affirmative vote of the  
 25 member appointed by the governor who is serving as chairperson  
 26 of the board:  
 27 (1) Making loans, loan guarantees, or grants, or providing any  
 28 other funding or financial assistance for projects.  
 29 (2) Acquiring or condemning property.  
 30 (3) Entering into contracts.  
 31 (4) Employing an executive director or any consultants or  
 32 technical experts.  
 33 (5) Issuing bonds or entering into a lease of a project.  
 34 (k) The Indiana finance authority shall contract with a certified  
 35 public accountant for an annual financial audit of the airport  
 36 authority. The certified public accountant may not have a  
 37 significant financial interest, as determined by the Indiana finance  
 38 authority, in a project, facility, or service owned by, funded by, or  
 39 leased by or to the airport authority. The certified public  
 40 accountant shall present the annual financial audit not later than  
 41 four (4) months after the end of the airport authority's fiscal year.  
 42 The certified public accountant shall also perform a study and

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1 evaluation of internal accounting controls and shall express an  
 2 opinion on the controls that were in effect during the audit period.  
 3 The board shall pay the cost of the annual financial audit. In  
 4 addition, the state board of accounts may at any time conduct an  
 5 audit of any phase of the operations of the airport authority. The  
 6 airport authority shall pay the cost of any audit by the state board  
 7 of accounts.

8 (l) The board shall, not later than four (4) months after the end  
 9 of the airport authority's fiscal year, submit an annual report of  
 10 the board's activities for the preceding fiscal year to:

- 11 (1) the budget agency, for review by the budget committee;  
 12 and  
 13 (2) the legislative council.

14 An annual report submitted under this section to the legislative  
 15 council must be in an electronic format under IC 5-14-6. The  
 16 annual report must set forth a complete operating and financial  
 17 statement of the airport authority for the airport authority's  
 18 preceding fiscal year.

19 (m) On January 1, 2014, the term of each existing member  
 20 serving on the board of the airport authority originally established  
 21 by the city of Gary is terminated. The appointing authorities  
 22 required to make appointments to the board under this section  
 23 shall make the initial appointments as soon as possible after  
 24 December 31, 2013.

25 SECTION 28. IC 16-19-3-30 IS ADDED TO THE INDIANA  
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 27 [EFFECTIVE JULY 1, 2013]: **Sec. 30. (a) The state department shall**  
 28 **investigate and study whether there is a need for a level 1 trauma**  
 29 **center in northwestern Indiana. The state department shall report**  
 30 **its findings to the budget committee not later than November 1,**  
 31 **2015.**

32 (b) This section expires June 30, 2016.

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