

SENATE BILL No. 587

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-33-12-6; IC 12-23-2-7.

Synopsis: Funding for the treatment of compulsive gambling. Increases from 25% to 75% the percentage of riverboat admissions taxes deposited in the addiction services fund that must be used for the prevention and treatment of compulsive gambling.

Effective: July 1, 2013.

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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. 587



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

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

1 SECTION 1. IC 4-33-12-6, AS AMENDED BY P.L.119-2012,
 2 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2013]: Sec. 6. (a) The department shall place in the state
 4 general fund the tax revenue collected under this chapter.
 5 (b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7,
 6 the treasurer of state shall quarterly pay the following amounts:
 7 (1) Except as provided in subsection (k), one dollar (\$1) of the
 8 admissions tax collected by the licensed owner for each person
 9 embarking on a gambling excursion during the quarter or
 10 admitted to a riverboat that has implemented flexible scheduling
 11 under IC 4-33-6-21 during the quarter shall be paid to:
 12 (A) the city in which the riverboat is docked, if the city:
 13 (i) is located in a county having a population of more than
 14 one hundred eleven thousand (111,000) but less than one
 15 hundred fifteen thousand (115,000); or
 16 (ii) is contiguous to the Ohio River and is the largest city in
 17 the county; and



- 1 (B) the county in which the riverboat is docked, if the
 2 riverboat is not docked in a city described in clause (A).
 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. In the
 9 case of a county described in subdivision (1)(B), this one dollar
 10 (\$1) is in addition to the one dollar (\$1) received under
 11 subdivision (1)(B).
 12 (3) Except as provided in subsection (k), ten cents (\$0.10) of the
 13 admissions tax collected by the licensed owner for each person:
 14 (A) embarking on a gambling excursion during the quarter; or
 15 (B) admitted to a riverboat during the quarter that has
 16 implemented flexible scheduling under IC 4-33-6-21;
 17 shall be paid to the county convention and visitors bureau or
 18 promotion fund for the county in which the riverboat is docked.
 19 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of
 20 the admissions tax collected by the licensed owner for each
 21 person:
 22 (A) embarking on a gambling excursion during the quarter; or
 23 (B) admitted to a riverboat during a quarter that has
 24 implemented flexible scheduling under IC 4-33-6-21;
 25 shall be paid to the state fair commission, for use in any activity
 26 that the commission is authorized to carry out under IC 15-13-3.
 27 (5) Except as provided in subsection (k), ten cents (\$0.10) of the
 28 admissions tax collected by the licensed owner for each person:
 29 (A) embarking on a gambling excursion during the quarter; or
 30 (B) admitted to a riverboat during the quarter that has
 31 implemented flexible scheduling under IC 4-33-6-21;
 32 shall be paid to the division of mental health and addiction. The
 33 division shall allocate at least ~~twenty-five~~ **seventy-five** percent
 34 ~~(25%)~~ **(75%)** of the funds derived from the admissions tax to the
 35 prevention and treatment of compulsive gambling.
 36 (6) Except as provided in subsection (k) and section 7 of this
 37 chapter, sixty-five cents (\$0.65) of the admissions tax collected by
 38 the licensed owner for each person embarking on a gambling
 39 excursion during the quarter or admitted to a riverboat during the
 40 quarter that has implemented flexible scheduling under
 41 IC 4-33-6-21 shall be paid to the Indiana horse racing commission
 42 to be distributed as follows, in amounts determined by the Indiana

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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.

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

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

(A) Twenty-two percent (22%) of the admissions tax collected during the quarter 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 clause as follows:

(i) Twenty-two and seventy-five hundredths percent (22.75%) 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 item 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.

(ii) Twenty-two and seventy-five hundredths percent (22.75%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body. The county fiscal body for the receiving county shall provide for the distribution of the money received under this item to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by

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1 the county fiscal body after receiving a recommendation
 2 from the county executive.
 3 (iii) Fifty-four and five-tenths percent (54.5%) shall be
 4 retained by the county where the riverboat is located for
 5 appropriation by the county fiscal body after receiving a
 6 recommendation from the county executive.
 7 (B) Five percent (5%) of the admissions tax collected during
 8 the quarter shall be paid to a town having a population of more
 9 than two thousand (2,000) but less than three thousand five
 10 hundred (3,500) located in a county having a population of
 11 more than nineteen thousand five hundred (19,500) but less
 12 than twenty thousand (20,000). At least twenty percent (20%)
 13 of the taxes received by a town under this clause must be
 14 transferred to the school corporation in which the town is
 15 located.
 16 (C) Five percent (5%) of the admissions tax collected during
 17 the quarter shall be paid to a town having a population of more
 18 than three thousand five hundred (3,500) located in a county
 19 having a population of more than nineteen thousand five
 20 hundred (19,500) but less than twenty thousand (20,000). At
 21 least twenty percent (20%) of the taxes received by a town
 22 under this clause must be transferred to the school corporation
 23 in which the town is located.
 24 (D) Twenty percent (20%) of the admissions tax collected
 25 during the quarter shall be paid in equal amounts to each town
 26 that:
 27 (i) is located in the county in which the riverboat is located;
 28 and
 29 (ii) contains a historic hotel.
 30 At least twenty percent (20%) of the taxes received by a town
 31 under this clause must be transferred to the school corporation
 32 in which the town is located.
 33 (E) Ten percent (10%) of the admissions tax collected during
 34 the quarter shall be paid to the Orange County development
 35 commission established under IC 36-7-11.5. At least one-third
 36 (1/3) of the taxes paid to the Orange County development
 37 commission under this clause must be transferred to the
 38 Orange County convention and visitors bureau.
 39 (F) Thirteen percent (13%) of the admissions tax collected
 40 during the quarter shall be paid to the West Baden Springs
 41 historic hotel preservation and maintenance fund established
 42 by IC 36-7-11.5-11(b).

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

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

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

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

- 29 (i) Twenty-two and seventy-five hundredths percent
 30 (22.75%) to the county treasurer of Dubois County for
 31 distribution in the manner described in subdivision
 32 (1)(A)(i).
- 33 (ii) Twenty-two and seventy-five hundredths percent
 34 (22.75%) to the county treasurer of Crawford County for
 35 distribution in the manner described in subdivision
 36 (1)(A)(ii).
- 37 (iii) Fifty-four and five-tenths percent (54.5%) to be retained
 38 by the county treasurer of Orange County for appropriation
 39 by the county fiscal body after receiving a recommendation
 40 from the county executive.

41 (B) Six and sixty-seven hundredths percent (6.67%) to the
 42 fiscal officer of the town of Orleans. At least twenty percent

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- 1 (20%) of the taxes received by the town under this clause must
- 2 be transferred to Orleans Community Schools.
- 3 (C) Six and sixty-seven hundredths percent (6.67%) to the
- 4 fiscal officer of the town of Paoli. At least twenty percent
- 5 (20%) of the taxes received by the town under this clause must
- 6 be transferred to the Paoli Community School Corporation.
- 7 (D) Twenty-six and sixty-seven hundredths percent (26.67%)
- 8 to be paid in equal amounts to the fiscal officers of the towns
- 9 of French Lick and West Baden Springs. At least twenty
- 10 percent (20%) of the taxes received by a town under this
- 11 clause must be transferred to the Springs Valley Community
- 12 School Corporation.
- 13 (E) Thirty and sixty-six hundredths percent (30.66%) to the
- 14 Indiana economic development corporation to be used in the
- 15 manner described in subdivision (1)(G).
- 16 (d) With respect to tax revenue collected from a riverboat that
- 17 operates from a county having a population of more than four hundred
- 18 thousand (400,000) but less than seven hundred thousand (700,000),
- 19 the treasurer of state shall quarterly pay the following amounts:
- 20 (1) Except as provided in subsection (k), one dollar (\$1) of the
- 21 admissions tax collected by the licensed owner for each person:
- 22 (A) embarking on a gambling excursion during the quarter; or
- 23 (B) admitted to a riverboat during the quarter that has
- 24 implemented flexible scheduling under IC 4-33-6-21;
- 25 shall be paid to the city in which the riverboat is docked.
- 26 (2) Except as provided in subsection (k), one dollar (\$1) of the
- 27 admissions tax collected by the licensed owner for each person:
- 28 (A) embarking on a gambling excursion during the quarter; or
- 29 (B) admitted to a riverboat during the quarter that has
- 30 implemented flexible scheduling under IC 4-33-6-21;
- 31 shall be paid to the county in which the riverboat is docked.
- 32 (3) Except as provided in subsection (k), nine cents (\$0.09) of the
- 33 admissions tax collected by the licensed owner for each person:
- 34 (A) embarking on a gambling excursion during the quarter; or
- 35 (B) admitted to a riverboat during the quarter that has
- 36 implemented flexible scheduling under IC 4-33-6-21;
- 37 shall be paid to the county convention and visitors bureau or
- 38 promotion fund for the county in which the riverboat is docked.
- 39 (4) Except as provided in subsection (k), one cent (\$0.01) of the
- 40 admissions tax collected by the licensed owner for each person:
- 41 (A) embarking on a gambling excursion during the quarter; or
- 42 (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 northwest Indiana law enforcement training
 3 center.

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

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

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

10 shall be paid to the state fair commission for use in any activity
 11 that the commission is authorized to carry out under IC 15-13-3.

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

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

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

17 shall be paid to the division of mental health and addiction. The
 18 division shall allocate at least ~~twenty-five~~ **seventy-five** percent
 19 ~~(25%)~~ **(75%)** of the funds derived from the admissions tax to the
 20 prevention and treatment of compulsive gambling.

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

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

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

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

41 (1) must be paid to the fiscal officer of the unit and may be
 42 deposited in the unit's general fund or riverboat fund established

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1 under IC 36-1-8-9, or both;
 2 (2) may not be used to reduce the unit's maximum levy under
 3 IC 6-1.1-18.5 but may be used at the discretion of the unit to
 4 reduce the property tax levy of the unit for a particular year;
 5 (3) may be used for any legal or corporate purpose of the unit,
 6 including the pledge of money to bonds, leases, or other
 7 obligations under IC 5-1-14-4; and
 8 (4) is considered miscellaneous revenue.
 9 (f) Money paid by the treasurer of state under subsection (b)(3) or
 10 (d)(3) shall be:
 11 (1) deposited in:
 12 (A) the county convention and visitor promotion fund; or
 13 (B) the county's general fund if the county does not have a
 14 convention and visitor promotion fund; and
 15 (2) used only for the tourism promotion, advertising, and
 16 economic development activities of the county and community.
 17 (g) Money received by the division of mental health and addiction
 18 under subsections (b)(5) and (d)(6):
 19 (1) is annually appropriated to the division of mental health and
 20 addiction;
 21 (2) shall be distributed to the division of mental health and
 22 addiction at times during each state fiscal year determined by the
 23 budget agency; and
 24 (3) shall be used by the division of mental health and addiction
 25 for programs and facilities for the prevention and treatment of
 26 addictions to drugs, alcohol, and compulsive gambling, including
 27 the creation and maintenance of a toll free telephone line to
 28 provide the public with information about these addictions. The
 29 division shall allocate at least ~~twenty-five~~ **seventy-five** percent
 30 ~~(25%)~~ **(75%)** of the money received to the prevention and
 31 treatment of compulsive gambling.
 32 (h) This subsection applies to the following:
 33 (1) Each entity receiving money under subsection (b).
 34 (2) Each entity receiving money under subsection (d)(1) through
 35 (d)(2).
 36 (3) Each entity receiving money under subsection (d)(5) through
 37 (d)(7).
 38 The treasurer of state shall determine the total amount of money paid
 39 by the treasurer of state to an entity subject to this subsection during
 40 the state fiscal year 2002. The amount determined under this subsection
 41 is the base year revenue for each entity subject to this subsection. The
 42 treasurer of state shall certify the base year revenue determined under

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1 this subsection to each entity subject to this subsection.

2 (i) This subsection applies to an entity receiving money under
3 subsection (d)(3) or (d)(4). The treasurer of state shall determine the
4 total amount of money paid by the treasurer of state to the entity
5 described in subsection (d)(3) during state fiscal year 2002. The
6 amount determined under this subsection multiplied by nine-tenths
7 (0.9) is the base year revenue for the entity described in subsection
8 (d)(3). The amount determined under this subsection multiplied by
9 one-tenth (0.1) is the base year revenue for the entity described in
10 subsection (d)(4). The treasurer of state shall certify the base year
11 revenue determined under this subsection to each entity subject to this
12 subsection.

13 (j) This subsection does not apply to an entity receiving money
14 under subsection (c). For state fiscal years beginning after June 30,
15 2002, the total amount of money distributed to an entity under this
16 section during a state fiscal year may not exceed the entity's base year
17 revenue as determined under subsection (h) or (i). If the treasurer of
18 state determines that the total amount of money distributed to an entity
19 under this section during a state fiscal year is less than the entity's base
20 year revenue, the treasurer of state shall make a supplemental
21 distribution to the entity under IC 4-33-13-5(g).

22 (k) This subsection does not apply to an entity receiving money
23 under subsection (c). For state fiscal years beginning after June 30,
24 2002, the treasurer of state shall pay that part of the riverboat
25 admissions taxes that:

- 26 (1) exceeds a particular entity's base year revenue; and
- 27 (2) would otherwise be due to the entity under this section;

28 to the state general fund instead of to the entity.

29 SECTION 2. IC 12-23-2-7 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 7. (a) For each state
31 fiscal year, the division may not spend more than an amount equal to
32 five percent (5%) of the total amount received by the division from the
33 fund established under section 2 of this chapter for the administrative
34 costs associated with the use of money received from the fund.

35 (b) The division shall allocate at least ~~twenty-five~~ **seventy-five**
36 percent ~~(25%)~~ **(75%)** of the funds derived from the riverboat
37 admissions tax under IC 4-33-12-6 to the prevention and treatment of
38 compulsive gambling.

39 (c) The division shall reimburse the Indiana gaming commission for
40 the costs incurred in administering a voluntary exclusion program
41 established under the rules of the Indiana gaming commission. The
42 division shall pay the reimbursement from funds derived from the

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1 riverboat admissions tax under IC 4-33-12-6.

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