

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

## HOUSE ENROLLED ACT No. 1015

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AN ACT to amend the Indiana Code concerning gaming.

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

SECTION 1. IC 4-31-2-5.8 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5.8. "E-sports" means a single player or multiplayer video game played competitively, typically by professional gamers.**

SECTION 2. IC 4-31-2-20.9 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 20.9. "Sports wagering" refers to wagering conducted under IC 4-38 on athletic and sporting events involving human competitors. The term does not include:**

- (1) pari-mutuel wagering on horse racing; or**
- (2) wagering on e-sports.**

SECTION 3. IC 4-33-1-1 IS REPEALED [EFFECTIVE JULY 1, 2019]. ~~Sec. 1. This article applies only to the following:~~

- ~~(1) Counties contiguous to Lake Michigan;~~
- ~~(2) A county that is:~~
  - ~~(A) contiguous to the Ohio River; and~~
  - ~~(B) described in IC 4-33-6-1(a)(5);~~
- ~~(3) A county that contains a historic hotel district.~~

SECTION 4. IC 4-33-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. **(a)** "Adjusted gross receipts" means:

- (1) the total of all cash and property (including checks received

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by a licensee or an operating agent) whether collected or not, received by a licensee or an operating agent from gaming operations; minus

(2) the total of:

(A) all cash paid out as winnings to patrons; and

(B) uncollectible gaming receivables, not to exceed the lesser of:

(i) a reasonable provision for uncollectible patron checks received from gaming operations; or

(ii) two percent (2%) of the total of all sums, including checks, whether collected or not, less the amount paid out as winnings to patrons.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the licensee or operating agent from gaming operations.

**(b) The term does not include amounts received from sports wagering conducted by a licensee or operating agent under IC 4-38.**

SECTION 5. IC 4-33-2-17, AS AMENDED BY P.L.255-2015, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 17. "Riverboat" means any of the following on which lawful gambling is authorized under this article:

(1) A self-propelled excursion boat ~~located in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2)~~ that complies with IC 4-33-6-6(a) **and is located in a county that is contiguous to Lake Michigan or the Ohio River.**

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

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

(4) An inland casino operating under IC 4-33-6-24.

**(5) A casino operated in Gary under IC 4-33-6-4.5.**

**(6) A casino operated in Vigo County under IC 4-33-6.7.**

SECTION 6. IC 4-33-2-17.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 17.7. "Sports wagering" refers to wagering conducted under IC 4-38 on athletic and sporting events involving human competitors. **The term does not include:**

(1) money spent to participate in paid fantasy sports under IC 4-33-24; or

(2) wagering on e-sports.

SECTION 7. IC 4-33-2-20 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY



1, 2019]: **Sec. 20. "Undue economic concentration" means a person's actual or potential domination of casino gambling in Indiana sufficient to:**

- (1) substantially impede or suppress competition among licensed owners and an operating agent;**
- (2) adversely impact the economic stability of the casino industry in Indiana; or**
- (3) negatively impact tourism, economic development, benefits to local communities, and state and local revenues.**

SECTION 8. IC 4-33-3-2, AS AMENDED BY P.L.170-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) The commission consists of seven (7) members appointed by the governor.

(b) Each member of the commission must:

- (1) be a resident of Indiana; and
- (2) have a reasonable knowledge of the practice, procedures, and principles of gambling operations.

(c) At least one (1) member of the commission must be experienced in law enforcement and criminal investigation.

(d) At least one (1) member of the commission must be a certified public accountant experienced in accounting and auditing.

(e) At least one (1) member of the commission must be an attorney admitted to the practice of law in Indiana.

(f) One (1) member of the commission must be a resident of a county ~~described in IC 4-33-1-1(1)~~. **that is contiguous to Lake Michigan.**

(g) One (1) member of the commission must be a resident of a county ~~described in IC 4-33-1-1(2)~~. **that is contiguous to the Ohio River.**

(h) Not more than four (4) members may be affiliated with the same political party.

SECTION 9. IC 4-33-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 22. (a) The commission shall file a written annual report with the governor before September 1 of each year. The commission shall file any additional reports that the governor requests.

(b) The annual report filed under this section must include a statement describing the following:

- (1) The receipts and disbursements of the commission.
- (2) Actions taken by the commission.
- (3) The development and fiscal impact of sports wagering conducted under IC 4-38.**



~~(3)~~ **(4)** Any additional information and recommendations that:

- (A) the commission considers useful; or
- (B) the governor requests.

SECTION 10. IC 4-33-6-1, AS AMENDED BY P.L.229-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) The commission may issue to a person a license to own a riverboat subject to the numerical and geographical limitation of owner's licenses under this section ~~section 3.5 of this chapter~~, and IC 4-33-4-17. ~~However~~, Not more than ten (10) owner's licenses may be in effect at any time. **Subject to subsection (d)**, those ~~ten (10) licenses are owner's licenses may be issued~~ as follows:

- (1) **Not more than two (2) licenses for a riverboat not more than two (2) riverboats that operates operate in or** from the city of Gary.
- (2) One (1) license for a riverboat that operates from the city of Hammond.
- (3) One (1) license for a riverboat that operates from the city of East Chicago.
- (4) One (1) license for a city located in ~~the counties described under IC 4-33-1-1(1)~~: **a county contiguous to Lake Michigan. However**, this license may not be issued to a city described in subdivisions (1) through (3).
- (5) A total of five (5) licenses for riverboats that operate upon the Ohio River from the following counties:
  - (A) Vanderburgh County.
  - (B) Harrison County.
  - (C) Switzerland County.
  - (D) Ohio County.
  - (E) Dearborn County.

The commission may not issue a license to an applicant if the issuance of the license would result in more than one (1) riverboat operating from a county described in this subdivision.

**(6) Not more than one (1) license for a riverboat that operates as an inland casino in Vigo County under IC 4-33-6.7.**

(b) In addition to its power to issue owner's licenses under subsection (a), the commission may also enter into a contract under IC 4-33-6.5 with respect to the operation of one (1) riverboat on behalf of the commission in a historic hotel district.

(c) A person holding an owner's license may not move the person's riverboat from the county in which the riverboat was docked on January 1, 2007, to any other county.

**(d) The following apply to the allocation and issuance of owner's**



**licenses under subsection (a):**

- (1) A licensed owner holding two licenses issued under subsection (a)(1) must relinquish one (1) of the licenses under section 4.5 of this chapter upon the commission's approval of the licensed owner's request to relocate gaming operations under section 4.5 of this chapter.**
- (2) An owner's license relinquished under subdivision (1) and section 4.5 of this chapter may not be reissued with respect to gaming operations in Gary.**
- (3) The licensed owner who relinquishes a license under subdivision (1) and section 4.5 of this chapter may operate two (2) docked riverboats under a single license unless and until the licensed owner begins gaming operations at a relocated inland casino under section 4.5 of this chapter.**
- (4) If an owner's license is relinquished under subdivision (1) and section 4.5 of this chapter, an owner's license may be issued to authorize gaming operations in Vigo County in accordance with subsection (a)(6) and the procedures set forth in IC 4-33-6.7.**

SECTION 11. IC 4-33-6-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3.5. (a) For purposes of this section, a person is considered to have an ownership interest in a riverboat owner's license if the interest is owned directly or indirectly by the person or by an entity controlled by the person.

(b) A person may have up to a one hundred percent (100%) ownership interest in not more than ~~two (2)~~ **six (6) of any combination of:**

- (1) riverboat licenses issued under this chapter; and**
- (2) gambling game licenses issued under IC 4-35-5.**

(c) A person may not have an ownership interest in more than ~~two (2)~~ **six (6) of any combination of:**

- (1) riverboat owner's licenses issued under this chapter; and**
- (2) gambling game licenses issued under IC 4-35-5.**

(d) This section may not be construed to increase the maximum number of licenses permitted under section 1 of this chapter or the number of riverboats that may be owned and operated under a license under section 10 of this chapter.

SECTION 12. IC 4-33-6-4, AS AMENDED BY P.L.255-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. (a) In determining whether to grant an owner's license to an applicant, the commission shall consider the following:

- (1) The character, reputation, experience, and financial integrity



of the following:

- (A) The applicant.
- (B) A person that:
  - (i) directly or indirectly controls the applicant; or
  - (ii) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.
- (2) The facilities or proposed facilities for the conduct of riverboat gambling.
- (3) The highest prospective total revenue to be collected by the state from the conduct of riverboat gambling.
- (4) The good faith affirmative action plan of each applicant to recruit, train, and upgrade minorities in all employment classifications.
- (5) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.
- (6) If the applicant has adequate capitalization to provide and maintain a riverboat for the duration of the license.
- (7) The impact of any undue economic concentration of the ownership or control of a gaming license.**
- ~~(7)~~ **(8)** The extent to which the applicant exceeds or meets other standards adopted by the commission.
- (b) This subsection does not apply to:
  - (1) a licensed owner constructing a new riverboat under section 24 of this chapter; or
  - (2) a person applying for an owner's license to assume control of a riverboat operating from a dock previously approved by the commission.

In an application for an owner's license, the applicant must submit to the commission a proposed design of the riverboat and the dock. The commission may not grant a license to an applicant if the commission determines that it will be difficult or unlikely for the riverboat to depart from the dock.

SECTION 13. IC 4-33-6-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 4.5. (a) Subject to section 4.6 of this chapter, a person holding an owner's license under section 1(a)(1) of this chapter may move gaming operations to an inland casino within Gary only if the licensed owner:**

- (1) pays twenty million dollars (\$20,000,000) to the commission as described in subsection (e);**
- (2) submits to the commission before January 1, 2020, with agreement from the legislative body of the city of Gary, a**



request for approval to relocate the licensed owner's gaming operations;

(3) complies with all applicable building codes and any safety requirements imposed by the commission;

(4) submits to the commission a plan for complying with IC 4-33-14 in the construction and conduct of the licensed owner's gaming operations at an inland location; and

(5) submits to the commission a plan for complying with subsection (h) regarding transferring existing employees to an inland location and hiring and training new employees for an inland location.

(b) The commission shall prescribe the form of the request for approval to relocate the licensed owner's gaming operations under this section.

(c) When considering a request to relocate a riverboat under this section, the commission shall consider:

(1) economic benefits;

(2) tax revenue;

(3) the number of new jobs;

(4) whether the owner plans an investment of at least one hundred fifty million dollars (\$150,000,000) for the relocation, with sixty-five percent (65%) of the owner's proposed investment for the development of a casino, and thirty-five percent (35%) of the owner's proposed investment for the development of nongaming amenities; and

(5) any other issue deemed appropriate by the commission.

(d) Upon the commission's approval of the request to relocate, the licensed owner shall relinquish one (1) owner's license issued under section 1(a)(1) of this chapter. The commission may impose any additional requirement on a licensed owner relocating gaming operations under this section.

(e) The payment required by subsection (a)(1) must be paid to the commission in five (5) annual payments of equal amounts. The first payment required by this section is due on the day that the commission approves the request to relocate. The four (4) remaining annual payments are each due on the anniversary date of the first payment.

(f) In addition to the payment required by subsection (a)(1), if the licensed owner:

(1) relocates the licensed owner's gaming operations under this section; and

(2) sells or otherwise transfers the licensed owner's interest in



the owner's license within five (5) years from the date the relocation is approved by the commission;  
the licensed owner shall pay an additional fee of twenty million dollars (\$20,000,000) before the sale or transfer of the license may be approved by the commission.

(g) The commission shall collect and deposit the payment required by subsection (a)(1) and any payment required by subsection (f) in the state general fund.

(h) The licensed owner of a riverboat relocated under this section is subject to the following employment goals:

(1) Each employee employed at the riverboat shall be offered a similar position at the inland location.

(2) The licensed owner shall consider hiring and training individuals who have been laid off from the riverboat operating in East Chicago before considering other applicants for similar job openings.

SECTION 14. IC 4-33-6-4.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 4.6. (a) This section applies only to a licensed owner operating two (2) riverboats from a dock in Gary under section 1(d) of this chapter.**

(b) The two (2) riverboats operated by the licensed owner must be taxed separately in accordance with IC 4-33-12-0.7 and IC 4-33-13-0.7.

(c) If:

(1) the licensed owner described in subsection (a) submits a request for approval to relocate gaming operations under section 4.5 of this chapter; and

(2) the commission approves the request to relocate;

the licensed owner shall terminate gaming operations at the licensed owner's docked riverboats not later than the date on which the licensed owner begins gaming operations at the licensed owner's inland casino under section 4.5 of this chapter.

SECTION 15. IC 4-33-6-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 4.7. (a) This section applies to the licensed owner of an inland casino operated in Vigo County under IC 4-33-6.7.**

(b) A licensed owner described in subsection (a) shall enter into a development agreement (as defined in IC 4-33-23-2) with Vigo County.

SECTION 16. IC 4-33-6-6, AS AMENDED BY P.L.255-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE





JULY 1, 2019]: Sec. 6. (a) Except as provided in subsection (c) or (d), a riverboat that operates in a county ~~described in IC 4-33-1-1(1) or IC 4-33-1-1(2)~~ **that is contiguous to Lake Michigan or the Ohio River** must:

(1) have either:

(A) a valid certificate of inspection from the United States Coast Guard for the carrying of at least five hundred (500) passengers; or

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

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

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

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

(d) A riverboat constructed under section 24 of this chapter **or a riverboat relocated under section 4.5 of this chapter** must comply with all applicable building codes and any safety requirements imposed by the commission.

SECTION 17. IC 4-33-6-19.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 19.3. (a) This section applies to Vigo County.**

**(b) The Vigo County election board shall hold a special election in the county at either of the following elections, as determined by the county election board:**

**(1) At the time of the municipal general election on November 5, 2019.**

**(2) At the time of the primary election on May 5, 2020.**

**(c) The Vigo County election board shall place the following public question on the ballot at the special election:**

**"Shall inland casino gambling be permitted in Vigo County?"**

**(d) The public question shall be placed on the ballot as provided in IC 3-10-9 and certified as provided in IC 3-10-9-3.**

**(e) Each registered voter of the county is entitled to vote in the special election.**

**(f) The Vigo County circuit court clerk shall certify the results**



of the special election under IC 3-12-4-9 to the commission and the department of state revenue.

**(g)** If the voters of Vigo County do not vote in favor of permitting inland casino gambling under this article, a second public question under this section may not be held in that county for at least two (2) years. If the voters of Vigo County vote to reject inland casino gambling a second time, a third or subsequent public question under this section may not be held in Vigo County until the general election held during the tenth year following the year that the previous public question was placed on the ballot.

**(h)** The commission may not issue a license under this article to allow an inland casino to operate in the county unless the voters of the county have approved inland casino gambling in the county.

SECTION 18. IC 4-33-6-24, AS ADDED BY P.L.255-2015, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 24. **(a)** This section does not apply to gaming operations relocated under section 4.5 of this chapter or an inland casino operated in Vigo County under IC 4-33-6.7.

~~(a)~~ **(b)** For purposes of this section, property is considered to be adjacent to a riverboat dock site even if it is separated from the dock site by public rights-of-way or railroad rights-of-way.

~~(b)~~ **(c)** A licensed owner may relocate the licensed owner's gaming operation from a docked riverboat to an inland casino if the following conditions are met:

- (1) Except as provided in subsection ~~(c)~~; **(d)**, the casino is located on property that the licensed owner owned or leased and used in the conduct of the licensed owner's gaming operations on February 1, 2015.
- (2) The casino is located on property adjacent to the dock site of the licensed owner's riverboat.
- (3) The casino complies with all applicable building codes and any safety requirements imposed by the commission.
- (4) The commission approves the relocation of the licensed owner's gaming operation.

~~(c)~~ **(d)** This subsection applies to a licensed owner that owns or leases property that is considered adjacent to a riverboat dock site under subsection ~~(a)~~; **(b)**. The licensed owner may:

- (1) acquire part of the public rights-of-way or railroad rights-of-way to form a contiguous parcel with the property owned or leased by the licensed owner on February 1, 2015; and
- (2) subject to the other requirements of this section, situate an inland casino on the contiguous parcel formed under subdivision



(1).

~~(d)~~ **(e)** The commission may impose any requirement upon a licensed owner relocating gaming operations under this section.

~~(e)~~ **(f)** The number of gambling games offered by a licensed owner in an inland facility operated under this section may not exceed the greatest number of gambling games offered by the licensed owner in the licensed owner's docked riverboat since January 1, 2007.

SECTION 19. IC 4-33-6-25, AS ADDED BY P.L.255-2015, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 25. (a) This section does not apply to a riverboat gaming operation relocated under section 24 of this chapter.

**(b) Except as provided in subsections (c) and (d),** the number of gambling games offered by a licensed owner or operating agent within the riverboat operated by the licensed owner or operating agent may not exceed the greatest number of gambling games offered by the licensed owner or operating agent since January 1, 2007.

**(c) The number of gambling games offered by a licensed owner operating under a license described in section 1(a)(1) of this chapter may not exceed two thousand seven hundred sixty-four (2,764).**

**(d) The number of gambling games offered by a licensed owner of an inland casino operated in Vigo County under IC 4-33-6.7 may not exceed one thousand five hundred (1,500).**

SECTION 20. IC 4-33-6.7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

**Chapter 6.7. Vigo County Casino Operations**

**Sec. 1. If a licensed owner submits a request to relocate gaming operations under IC 4-33-6-4.5, the commission shall begin accepting applications and proposals for awarding a license to operate an inland casino in Vigo County. The commission shall publish deadlines for submitting an application and proposal under this chapter on its Internet web site. An application and proposal must comply with the provisions of IC 4-33-6-2 and include any additional information required by the commission. The commission shall prescribe the form of the application and proposal for permission to operate an inland casino under this chapter.**

**Sec. 2. The commission shall review applications and proposals submitted under section 1 of this chapter and determine the suitability of each applicant. In determining suitability, the commission shall consider each applicant's financial integrity and**



the applicant's ability to operate an inland casino. The commission shall also consider the factors in IC 4-33-6-4. The commission may not determine an applicant is suitable if the commission finds that any of the provisions of IC 4-33-6-3 apply.

**Sec. 3. (a) An application and proposal must include the following information:**

- (1) The name of the applicant.
- (2) The street address of the applicant's proposed casino.
- (3) A description of the proposed gaming facilities and proposed nongaming amenities, including any lodging facilities, dining facilities, and retail facilities, at the proposed casino.
- (4) The amounts the applicant will invest in the gaming facilities and nongaming facilities at the proposed casino.
- (5) A proposed local development agreement with the county.
- (6) Evidence that the applicant's proposed casino will do the following:
  - (A) Enhance the credibility and integrity of gaming in Indiana.
  - (B) Promote employment and economic development in the area surrounding the proposed casino.
  - (C) Optimize the collection of tax revenue under this article.
- (7) The applicant's plan for complying with IC 4-33-14 in the construction and conduct of the applicant's proposed gaming operations in Vigo County.

(b) A description of an applicant's proposed facilities submitted under subsection (a)(3) is a public document. IC 4-33-5 applies to an applicant's application for the license and other information submitted by the applicant.

**Sec. 4. In determining the applicant best suited for an owner's license, the commission shall consider:**

- (1) economic benefits;
- (2) tax revenue;
- (3) the number of new jobs;
- (4) whether the applicant plans an investment of at least one hundred million dollars (\$100,000,000), with sixty-five percent (65%) of the owner's proposed investment for the development of a casino, and thirty-five percent (35%) of the owner's proposed investment for the development of nongaming amenities;
- (5) whether the applicant has a resolution of support from the



legislative body of the unit in Vigo County where it seeks to relocate;

- (6) the financial stability of the applicant;
- (7) the applicant's history of community involvement; and
- (8) any other factor that the commission considers appropriate.

**Sec. 5. The commission:**

- (1) may issue an owner's license to the person that the commission determines is best suited to hold the license and conduct gaming operations in Vigo County;
- (2) shall require a person issued an owner's license under subdivision (1) to promptly deliver to the commission a fee of five million dollars (\$5,000,000); and
- (3) may impose other requirements that the commission deems necessary and appropriate to protect the interest of the state and the person issued an owner's license under subdivision (1).

**Sec 6. The commission shall deposit the fee received under section 5 of this chapter in the state general fund.**

**Sec. 7. The licensed owner of a riverboat operating in Vigo County shall pay:**

- (1) a one (1) time payment of one million two hundred thousand dollars (\$1,200,000) within the first year that the licensed owner conducts gaming operations in Vigo County;
- (2) a one (1) time payment of nine hundred thousand dollars (\$900,000) within the second year that the licensed owner conducts gaming operations in Vigo County; and
- (3) a one (1) time payment of six hundred thousand dollars (\$600,000) within the third year that the licensed owner conducts gaming operations in Vigo County;

**to the city of Evansville.**

SECTION 21. IC 4-33-10-2.5, AS AMENDED BY P.L.158-2013, SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2.5. (a) This section applies only to property given after June 30, 1996.

(b) The definitions in IC 3-5-2 apply to this section to the extent they do not conflict with the definitions in this article.

(c) As used in this section, "license" means:

- (1) an owner's license issued under this article;
- (2) a supplier's license issued under this article to a supplier of gaming supplies or equipment, including electronic gaming equipment; or



(3) an operating agent contract entered into under this article.

(d) As used in this section, "licensee" means a person who holds a license. The term includes an operating agent.

(e) As used in this section, "officer" refers only to either of the following:

(1) An individual listed as an officer of a corporation in the corporation's most recent annual report.

(2) An individual who is a successor to an individual described in subdivision (1).

(f) For purposes of this section, a person is considered to have an interest in a licensee if the person satisfies any of the following:

(1) The person holds at least a one percent (1%) interest in the licensee.

(2) The person is an officer of the licensee.

(3) The person is an officer of a person that holds at least a one percent (1%) interest in the licensee.

(4) The person is a political action committee of the licensee.

(g) A licensee or a person with an interest in a licensee may not give any property (as defined in IC 35-31.5-2-253) to a member of a precinct committee to induce the member of the precinct committee to do any act or refrain from doing any act with respect to the approval of a local public question under IC 4-33-6-19 **or IC 4-33-6-19.3.**

(h) A person who knowingly or intentionally violates this section commits a Level 6 felony.

SECTION 22. IC 4-33-12-0.5, AS ADDED BY P.L.255-2015, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 0.5. This chapter does not apply to **the following:**

(1) A riverboat in a historic hotel district.

**(2) Sports wagering conducted under IC 4-38 at a riverboat.**

SECTION 23. IC 4-33-12-0.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 0.7. (a) This section applies only to a licensed owner described in IC 4-33-6-1(a)(1).**

**(b) Adjusted gross receipts received by two (2) riverboats operated by the licensed owner in accordance with IC 4-33-6-1(d) must be taxed separately under this chapter regardless of the fact that the riverboats are operated under a single license.**

**(c) This subsection applies to a state fiscal year ending before July 1, 2025. Beginning on the day that the licensed owner begins gaming operations at a new riverboat sited at a location approved under IC 4-33-6-4.5, the adjusted gross receipts received by the riverboat must be taxed under this chapter as if the adjusted gross**



receipts were received from two (2) riverboats. The licensed owner shall allocate the adjusted gross receipts received by the riverboat into two (2) separate tax bases proportionally to the amount of adjusted gross receipts that each riverboat operating from a dock in Gary received in the state fiscal year ending June 30, 2018. The licensed owner's tax liability under this chapter is determined by applying:

- (1) the tax rate determined under section 1.5(b) for the docked riverboat that had the greater amount of adjusted gross receipts in the state fiscal year ending June 30, 2018, to the larger of the two (2) tax base allocations; and
- (2) the tax rate determined under section 1.5(b) for the docked riverboat that had the lesser amount of adjusted gross receipts in the state fiscal year ending June 30, 2018, to the smaller of the two (2) tax base allocations.

**(d) For state fiscal years beginning after June 30, 2025, adjusted gross receipts received by a riverboat sited at a location approved under IC 4-33-6-4.5 are subject to taxation under this chapter as adjusted gross receipts received from a single riverboat.**

SECTION 24. IC 4-33-12-1.5, AS ADDED BY P.L.212-2018(ss), SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1.5. (a) A supplemental wagering tax on the wagering occurring each day at a riverboat is imposed upon the licensed owner operating the riverboat.

**(b) Except as provided in subsection (d), and** subject to subsection (c), the amount of supplemental wagering tax imposed for a particular day is determined by multiplying the riverboat's adjusted gross receipts for that day by the quotient of:

- (1) the total riverboat admissions tax that the riverboat's licensed owner paid beginning July 1, 2016, and ending June 30, 2017; divided by
- (2) the riverboat's adjusted gross receipts beginning July 1, 2016, and ending June 30, 2017.

(c) The quotient used under subsection (b) to determine the supplemental wagering tax liability of a licensed owner subject to subsection (b) may not exceed the following when expressed as a percentage:

- (1) Four percent (4%) before July 1, 2019.
- (2) Three and five-tenths percent (3.5%) after June 30, 2019.

**(d) The supplemental wagering tax liability of a licensed owner operating an inland casino in Vigo County is equal to two and nine-tenths percent (2.9%) of the riverboat's adjusted gross**



**receipts for the day.**

SECTION 25. IC 4-33-12-6, AS AMENDED BY P.L.109-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by ~~section~~ **sections 8 and 8.5** of this chapter, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in section 9(k) of this chapter, thirty-three and one-third percent (33 1/3%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the quarter shall be paid to:

(A) the city in which the riverboat is ~~docked~~; **located**, if the city:

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

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

(B) the county in which the riverboat is ~~docked~~; **located**, if the riverboat is not ~~docked~~ **located** in a city described in clause (A).

(2) Except as provided in section 9(k) of this chapter, thirty-three and one-third percent (33 1/3%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the quarter shall be paid to the county in which the riverboat is ~~docked~~; **located**. In the case of a county described in subdivision (1)(B), this thirty-three and one-third percent (33 1/3%) of the admissions tax and supplemental wagering tax is in addition to the thirty-three and one-third percent (33 1/3%) received under subdivision (1)(B).

(3) Except as provided in section 9(k) of this chapter, three and thirty-three hundredths percent (3.33%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is ~~docked~~; **located**.

(4) Except as provided in section 9(k) of this chapter, five percent (5%) of the admissions tax and supplemental wagering tax collected by the licensed owner during a quarter shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-13-3.

(5) Except as provided in section 9(k) of this chapter, three and





thirty-three hundredths percent (3.33%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the quarter shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Twenty-one and six hundred sixty-seven thousandths percent (21.667%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the quarter shall be paid to the state general fund.

SECTION 26. IC 4-33-12-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 8.5. (a) This section applies only to tax revenue collected from an inland casino located in Vigo County.**

**(b) The treasurer of state shall pay the following amounts from taxes collected during the preceding calendar quarter from the inland casino located in Vigo County:**

- (1) Forty percent (40%) to the city of Terre Haute.**
- (2) Thirty percent (30%) to Vigo County.**
- (3) Fifteen percent (15%) to the Vigo County school corporation.**
- (4) Fifteen percent (15%) to West Central 2025.**

**(c) This subsection applies to a city or county receiving money under subsection (b). Money paid to a city or county under subsection (b):**

- (1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or a riverboat fund established by the city or county 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.**

**(d) Money paid to a school corporation under subsection (b)(3):**

- (1) may be used for any legal or corporate purpose of the school corporation, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and**
- (2) is considered miscellaneous revenue.**

**(e) Money paid to West Central 2025 under subsection (b)(4)**



**must be used for the development and implementation of a regional economic development strategy that:**

- (1) assists the residents of Vigo County and the other participating counties in West Central 2025 in improving the quality of life in the region; and**
- (2) promotes successful and sustainable communities.**

**(f) The fiscal officer of West Central 2025 shall annually submit a report to the Indiana economic development corporation concerning the organization's use of the money received under subsection (b)(4) and the development and implementation of the regional economic development strategy required by subsection (e).**

SECTION 27. IC 4-33-12-9, AS AMENDED BY P.L.109-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9. (a) **This section applies only to tax revenue distributed under section 6 or 8 of this chapter.** Except as provided in subsections (g) through (j), money paid to a unit of local government under section 6 or 8 of this chapter:

- (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.

(b) Money paid by the treasurer of state to a county convention and visitors bureau or promotion fund under section 6 of this chapter must 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.

(c) Money received by the division of mental health and addiction under section 6 or 8 of this chapter:

- (1) is annually appropriated to the division of mental health and addiction;
- (2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the



budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions.

The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(d) This subsection applies to the following entities receiving money under section 6 or 8 of this chapter:

- (1) A city or county.
- (2) A county convention and visitors bureau or promotion fund for a county other than Lake County.
- (3) The state fair commission.
- (4) The division of mental health and addiction.

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(e) This subsection applies to the following entities receiving money under section 8 of this chapter:

- (1) A county convention and visitors bureau for Lake County.
- (2) The northwest Indiana law enforcement training center.

The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subdivision (1) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subdivision (1). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subdivision (2). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(f) The total amount of money distributed to an entity under section 6 or 8 of this chapter during a state fiscal year may not exceed the entity's base year revenue as determined under subsection (d) or (e). For purposes of this section, the treasurer of state shall treat any amounts distributed under section 8 of this chapter to the northwest Indiana regional development authority as amounts constructively received by East Chicago, Gary, Hammond, and Lake County, as



appropriate. If the treasurer of state determines that the total amount of money:

- (1) distributed to an entity; and
- (2) constructively received by an entity;

under section 6 or 8 of this chapter during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5.

(g) The Dearborn County council may vote to direct the county auditor of Dearborn County to make distributions as described in subsection (h).

(h) If a majority of the Dearborn County council vote to direct the county auditor of Dearborn County to make distributions under this subsection, the county auditor of Dearborn County shall distribute twenty-five percent (25%) of money received under section 6 of this chapter to cities and towns in Dearborn County that have not received money under section 6 of this chapter, as of January 1, 2017, and where a riverboat is not located:

- (1) proportionately using a ratio of the population that each city and town bears to the total population of all cities and towns in Dearborn County where a riverboat is not located; and
- (2) to the fiscal officer of the city or town.

(i) A city or town that receives money as described in subsection (h):

- (1) may not use the money to reduce the city's or town's maximum levy under IC 6-1.1-18.5;
- (2) may use the money to reduce the property tax levy of the city or town for a specific year; and
- (3) may use the money for any legal or corporate purpose of the city or town, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4.

(j) Money distributed under subsection (h) is considered miscellaneous revenue.

(k) The treasurer of state shall pay that part of the riverboat admissions taxes that:

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

to the state general fund instead of to the entity.

SECTION 28. IC 4-33-13-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 0.5. This chapter does not apply to sports wagering conducted under IC 4-38 at a riverboat.**

SECTION 29. IC 4-33-13-0.7 IS ADDED TO THE INDIANA



CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 0.7. (a) This section applies only to a licensed owner described in IC 4-33-6-1(a)(1).**

**(b) Adjusted gross receipts received by two (2) riverboats operated by the licensed owner in accordance with IC 4-33-6-1(d) must be taxed separately under this chapter regardless of the fact that the riverboats are operated under a single license.**

**(c) This subsection applies to a state fiscal year ending before July 1, 2025. Beginning on the day that the licensed owner begins gaming operations at a new riverboat sited at a location approved under IC 4-33-6-4.5, the adjusted gross receipts received by the riverboat must be taxed under this chapter as if the adjusted gross receipts were received from two (2) riverboats. The licensed owner shall allocate the adjusted gross receipts received by the riverboat into two (2) separate tax bases proportionally to the amount of adjusted gross receipts that each riverboat operating from a dock in Gary received in the state fiscal year ending June 30, 2018. The licensed owner's tax liability under this chapter is determined by applying the appropriate tax rates determined under section 1.5 of this chapter to each of the two (2) separate tax bases.**

**(d) For state fiscal years beginning after June 30, 2025, adjusted gross receipts received by a riverboat sited at a location approved under IC 4-33-6-4.5 are subject to taxation under this chapter as adjusted gross receipts received from a single riverboat.**

SECTION 30. IC 4-33-13-1.5, AS AMENDED BY P.L.212-2018(ss), SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 1.5. (a) This subsection applies only to a riverboat that received at least seventy-five million dollars (\$75,000,000) of adjusted gross receipts during the preceding state fiscal year. A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:**

- (1) For state fiscal years ending before July 1, 2021, fifteen percent (15%), and for state fiscal years beginning after June 30, 2021, ten percent (10%), of the first twenty-five million dollars (\$25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.**
- (2) Twenty percent (20%) of the adjusted gross receipts in excess of twenty-five million dollars (\$25,000,000) but not exceeding fifty million dollars (\$50,000,000) received during the period beginning July 1 of each year and ending June 30 of the following**



year.

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

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

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

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

(b) This subsection applies only to a riverboat that received less than seventy-five million dollars (\$75,000,000) of adjusted gross receipts during the preceding state fiscal year. A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) **For state fiscal years ending before July 1, 2021, five percent (5%), and for state fiscal years beginning after June 30, 2021, two and one-half percent (2.5%),** of the first twenty-five million dollars (\$25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) **For state fiscal years ending before July 1, 2021, twenty percent (20%), and for state fiscal years beginning after June 30, 2021, ten percent (10%),** of the adjusted gross receipts in excess of twenty-five million dollars (\$25,000,000) but not exceeding fifty million dollars (\$50,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(3) **For state fiscal years ending before July 1, 2021, twenty-five percent (25%), and for state fiscal years beginning after June 30, 2021, twenty percent (20%),** of the adjusted gross receipts in excess of fifty million dollars (\$50,000,000) but



not exceeding seventy-five million dollars (\$75,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

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

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

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

(c) The licensed owner or operating agent of a riverboat taxed under subsection (b) shall pay an additional tax of two million five hundred thousand dollars (\$2,500,000) in any state fiscal year in which the riverboat's adjusted gross receipts exceed seventy-five million dollars (\$75,000,000). The additional tax imposed under this subsection is due before July 1 of the following state fiscal year.

(d) The licensed owner or operating agent shall:

- (1) remit the daily amount of tax imposed by this chapter to the department on the twenty-fourth calendar day of each month for the wagering taxes collected that month; and
- (2) report gaming activity information to the commission daily on forms prescribed by the commission.

Any taxes collected during the month but after the day on which the taxes are required to be paid to the department shall be paid to the department at the same time the following month's taxes are due.

(e) The payment of the tax under this section must be in a manner prescribed by the department.

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

(g) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12.

SECTION 31. IC 4-33-13-5, AS AMENDED BY P.L.212-2018(ss), SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2019]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an 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 deposited in the state gaming fund under this chapter to the following:

(1) An amount equal to the following shall be set aside for revenue sharing under subsection (e):

(A) Before July 1, 2021, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(B) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(C) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less ~~than~~ **than** the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state year ending June 30, 2020, an amount equal to the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter multiplied by the result of:

(i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by

(ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020;

shall be set aside for revenue sharing under subsection (e).

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

(A) to the city **in which the riverboat is located or** that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or





(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); ~~or~~

**(iii) Terre Haute; or**

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat **that is not located in a city described in clause (A) or** whose home dock is not in a city described in clause (A).

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

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, ~~2015~~ **2019**. 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) For state fiscal years beginning after June 30, 2019, but ending before July 1, 2021, fifty-six and five-tenths percent (56.5%) shall be paid to the state general fund.**

**(2) For state fiscal years beginning after June 30, 2021, fifty-six and five-tenths percent (56.5%) shall be paid as follows:**

**(A) Sixty-six and four-tenths percent (66.4%) shall be paid to the state general fund.**

**(B) Thirty-three and six-tenths percent (33.6%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b). However, if:**

**(i) at any time the balance in that fund exceeds twenty-five million dollars (\$25,000,000); or**

**(ii) in any part of a state fiscal year in which the operating agent has received at least one hundred million dollars (\$100,000,000) of adjusted gross receipts;**

**the amount described in this clause shall be paid to the state general fund for the remainder of the state fiscal**



**year.**

~~(2)~~ **(3)** Forty-three and five-tenths percent (43.5%) shall be paid as follows:

(A) Twenty-two and four-tenths percent (22.4%) shall be paid as follows:

(i) Fifty percent (50%) to the fiscal officer of the town of French Lick.

(ii) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.

(B) Fourteen and eight-tenths percent (14.8%) shall be paid to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the county shall provide a formula for the distribution of the money received under this clause among the school corporations by joint resolution adopted by the governing body of each of the school corporations in the county. Money received by a school corporation under this clause must be used to improve the educational attainment of students enrolled in the school corporation receiving the money. Not later than the first regular meeting in the school year of a governing body of a school corporation receiving a distribution under this clause, the superintendent of the school corporation shall submit to the governing body a report describing the purposes for which the receipts under this clause were used and the improvements in educational attainment realized through the use of the money. The report is a public record.

(C) Thirteen and one-tenth percent (13.1%) shall be paid to the county treasurer of Orange County.

(D) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Dubois County 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.

(E) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Crawford County 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.

(F) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Paoli.

(G) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Orleans.

(H) Twenty-six and four-tenths percent (26.4%) shall be paid to the Indiana economic development corporation established by IC 5-28-3-1 for transfer as follows:

(i) Beginning after December 31, 2017, ten percent (10%) of the amount transferred under this clause in each calendar year shall be transferred to the South Central Indiana Regional Economic Development Corporation or a successor entity or partnership for economic development for the purpose of recruiting new business to Orange County as well as promoting the retention and expansion of existing businesses in Orange County.

(ii) The remainder of the amount transferred under this clause in each calendar year shall be transferred to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities.

To the extent possible, the Indiana economic development corporation shall provide for the transfer under item (i) to be made in four (4) equal installments. However, an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under this section were pledged before January 1, 2015, by the Orange County development commission shall be paid to the Orange County development commission before making distributions to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or their successor entities or partnerships. The amount paid to the Orange County development commission shall proportionally reduce the amount payable to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or



their successor entities or partnerships.

(c) **This subsection does not apply to tax revenue remitted by an inland casino operating in Vigo County.** For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

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

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

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

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

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

(e) Except as provided in subsections (l) and (m), before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

- (1) To each city located in the county according to the ratio the city's population bears to the total population of the county.



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

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

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

(1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).

(2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for debt repayment.

(3) To fund sewer and water projects, including storm water management projects.

(4) For police and fire pensions.

(5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

**(g) This subsection does not apply to an inland casino operating in Vigo County.** Before July 15 of each year, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-9), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the state general fund. Except as provided in subsection (i), the amount of an entity's supplemental distribution is equal to:

(1) the entity's base year revenue (as determined under IC 4-33-12-9); minus

(2) the sum of:

(A) the total amount of money distributed to the entity and constructively received by the entity during the preceding state fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus

(B) the amount of any admissions taxes deducted under IC 6-3.1-20-7.



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

- (1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

(i) **This subsection does not apply to an inland casino operating in Vigo County.** This subsection applies to a supplemental distribution made after June 30, 2017. The maximum amount of money that may be distributed under subsection (g) in a state fiscal year is equal to the following:

- (1) Before July 1, 2021, forty-eight million dollars (\$48,000,000).
- (2) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is forty-eight million dollars (\$48,000,000).
- (3) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is equal to the result of:
  - (A) forty-eight million dollars (\$48,000,000); multiplied by
  - (B) the result of:
    - (i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by
    - (ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020.

If the total amount determined under subsection (g) exceeds the maximum amount determined under this subsection, the amount distributed to an entity under subsection (g) must be reduced according



to the ratio that the amount distributed to the entity under IC 4-33-12-6 or IC 4-33-12-8 bears to the total amount distributed under IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental distribution.

(j) This subsection applies to a supplemental distribution, if any, payable to Lake County, Hammond, Gary, or East Chicago under subsections (g) and (i). Beginning in July 2016, the treasurer of state shall, after making any deductions from the supplemental distribution required by IC 6-3.1-20-7, deduct from the remainder of the supplemental distribution otherwise payable to the unit under this section the lesser of:

- (1) the remaining amount of the supplemental distribution; or
- (2) the difference, if any, between:
  - (A) three million five hundred thousand dollars (\$3,500,000); minus
  - (B) the amount of admissions taxes constructively received by the unit in the previous state fiscal year.

The treasurer of state shall distribute the amounts deducted under this subsection to the northwest Indiana redevelopment authority established under IC 36-7.5-2-1 for deposit in the development authority revenue fund established under IC 36-7.5-4-1.

(k) Money distributed to a political subdivision under subsection (b):

- (1) must be paid to the fiscal officer of the political subdivision and may be deposited in the political subdivision's general fund or riverboat fund established under IC 36-1-8-9, or both;
- (2) may not be used to reduce the maximum levy under IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate of a school corporation, but, except as provided in subsection ~~(b)(2)(B)~~, **(b)(3)(B)**, may be used at the discretion of the political subdivision to reduce the property tax levy of the county, city, or town for a particular year;
- (3) except as provided in subsection ~~(b)(2)(B)~~, **(b)(3)(B)**, may be used for any legal or corporate purpose of the political subdivision, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and
- (4) is considered miscellaneous revenue.

Money distributed under subsection ~~(b)(2)(B)~~ **(b)(3)(B)** must be used for the purposes specified in subsection ~~(b)(2)(B)~~: **(b)(3)(B)**.

(l) After June 30, 2020, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be deposited as being received from all riverboats whose supplemental



wagering tax, as calculated under IC 4-33-12-1.5(b), is over three and five-tenths percent (3.5%). The amount deposited under this subsection, in each riverboat's account, is proportionate to the supplemental wagering tax received from that riverboat under IC 4-33-12-1.5 in the month of July. The amount deposited under this subsection must be distributed in the same manner as the supplemental wagering tax collected under IC 4-33-12-1.5. This subsection expires June 30, 2021.

(m) After June 30, 2021, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be withheld and deposited in the state general fund.

**SECTION 32. IC 4-33-13-5.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5.3. (a) This section applies to each of the first four (4) full state fiscal years beginning after a licensed owner begins gaming operations under IC 4-33-6-4.5.**

**(b) As used in this section, "qualified city" refers to East Chicago, Hammond, or Michigan City.**

**(c) The auditor of state shall determine the total amount of money paid by the auditor of state under section 5(a)(2) of this chapter to Gary, East Chicago, Hammond, and Michigan City during the state fiscal year ending on June 30, 2019. The amount determined under this subsection for each city is the city's base year revenue. The auditor of state shall certify the base year revenue determined under this subsection to each city.**

**(d) Subject to subsection (g), a qualified city is entitled to a supplemental payment under this section if both of the following occur in a particular state fiscal year:**

**(1) The total amount payable to Gary under section 5(a)(2) of this chapter in the state fiscal year is greater than the base year revenue determined for Gary under subsection (c).**

**(2) The amount payable to the qualified city under section 5(a)(2) of this chapter in the state fiscal year is less than the base year revenue determined for the qualified city under subsection (c).**

**(e) Subject to subsection (g), the auditor of state shall deduct the lesser of the following from the amount otherwise payable to Gary to make a supplemental payment to a qualified city entitled to a payment under subsection (d):**

**(1) The difference between the base year revenue determined for the qualified city under subsection (c) and the amount payable to the qualified city under section 5(a)(2) of this**





chapter.

(2) The difference between the amount payable to Gary under section 5(a)(2) of this chapter and the base year revenue determined for Gary under subsection (c).

(f) Subject to subsection (g), the auditor of state shall supplement the amount payable to the qualified city under section 5(a)(2) of this chapter with a payment equal to the amount deducted under subsection (e) for the qualified city.

(g) The auditor of state may not deduct from the amounts payable under section 5(a)(2) of this chapter to Gary in a particular state fiscal year an amount greater than the difference between the amount payable to Gary under section 5(a)(2) of this chapter and the base year revenue determined for Gary under subsection (c). If the total amount of the supplemental payments determined for qualified cities exceeds the amount that may be deducted under this section, the amount paid to each qualified city entitled to a supplemental payment must be determined under STEP FOUR the following formula:

**STEP ONE:** Determine the difference between the qualified city's base year revenue and the amount payable to the qualified city under section 5(a)(2) of this chapter for the particular state fiscal year.

**STEP TWO:** Determine the sum of the STEP ONE results for all qualified cities entitled to a supplemental payment in the particular state fiscal year.

**STEP THREE:** Determine for each qualified city entitled to a supplemental payment in the particular state fiscal year the quotient of:

- (A) the STEP ONE result for the qualified city; divided by
- (B) the STEP TWO result.

**STEP FOUR:** Determine for each qualified city entitled to a supplemental payment in the particular state fiscal year the product of:

- (A) the STEP THREE quotient; multiplied by
- (B) the maximum amount that may be deducted from the amounts payable under section 5(a)(2) of this chapter for Gary.

SECTION 33. IC 4-33-13-7, AS AMENDED BY P.L.255-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) This section applies to adjusted gross receipts from wagering on gambling games that occurs after the effective date of this section, as added by SEA 528-2013.



(b) As used in this section, "qualified wagering" refers to wagers made by patrons using noncashable vouchers, coupons, electronic credits, or electronic promotions provided by the licensed owner or operating agent.

(c) Subject to subsection (d), a licensed owner or operating agent may at any time during a state fiscal year deduct from the adjusted gross receipts reported by the licensed owner or operating agent adjusted gross receipts attributable to qualified wagering. A licensed owner or operating agent must take a deduction under this section on a form and in the manner prescribed by the department.

(d) **Subject to subsection (f)**, a licensed owner or operating agent may not deduct more than the following amounts in a particular state fiscal year **with respect to the qualified wagering conducted at a particular riverboat**:

- (1) Two million five hundred thousand dollars (\$2,500,000) in a state fiscal year ending before July 1, 2013.
- (2) Five million dollars (\$5,000,000) in a state fiscal year beginning after June 30, 2013, and ending before July 1, 2015.
- (3) Seven million dollars (\$7,000,000) in a state fiscal year beginning after June 30, 2015, **and ending before July 1, 2021.**
- (4) Nine million dollars (\$9,000,000) in a state fiscal year beginning after June 30, 2021.**

(e) A licensed owner or operating agent may for a state fiscal year assign all or part of the amount of the deduction under this section that is not claimed by the licensed owner or operating agent for the state fiscal year to another licensed owner, operating agent, or licensee as defined by IC 4-35-2-7. An assignment under this subsection must be in writing and both the licensed owner or operating agent assigning the deduction and the licensed owner, operating agent, or licensee as defined by IC 4-35-2-7 to which the deduction is assigned shall report the assignment to the commission and to the department. The maximum amount that may be assigned under this subsection by a licensed owner or operating agent for a state fiscal year is equal to the result of:

- (1) seven million dollars (\$7,000,000); minus
- (2) the amount deducted under this subsection by the licensed owner or operating agent for the state fiscal year.

**(f) This subsection applies for state fiscal years ending before July 1, 2025, to a licensed owner described in IC 4-33-6-1(a)(1). The licensed owner:**

- (1) operating two (2) riverboats from a dock in Gary under a single license in accordance with IC 4-33-6-1(d); or**



**(2) operating a riverboat sited at a location approved under IC 4-33-6-4.5;**  
**may deduct the amounts described under subsection (d) as if qualified wagering were being conducted at two (2) riverboats.**

SECTION 34. IC 4-33-14-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 11. This chapter applies to sports wagering conducted under IC 4-38 by a licensed owner or an operating agent.**

SECTION 35. IC 4-35-2-2, AS AMENDED BY P.L.210-2013, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 2. (a) "Adjusted gross receipts" means:**

- (1) the total of all cash and property (including checks received by a licensee, whether collected or not) received by a licensee from gambling games, including amounts that are distributed by a licensee under IC 4-35-7-12; minus
- (2) the total of:
  - (A) all cash paid out to patrons as winnings for gambling games; and
  - (B) uncollectible gambling game receivables, not to exceed the lesser of:
    - (i) a reasonable provision for uncollectible patron checks received from gambling games; or
    - (ii) two percent (2%) of the total of all sums, including checks, whether collected or not, less the amount paid out to patrons as winnings for gambling games.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the licensee from gambling games.

**(b) The term does not include amounts received from sports wagering conducted by a licensee under IC 4-38.**

SECTION 36. IC 4-35-2-5, AS AMENDED BY P.L.255-2015, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 5. (a) "Gambling game" means any of the following:**

- (1) A game played on a slot machine approved for wagering under this article by the commission.
- (2) A game played on a slot machine through the use of a mobile gaming device approved under this article.
- (3) A table game approved by the commission under IC 4-35-7-19.

**(b) The term does not include sports wagering conducted under**



**IC 4-38.**

SECTION 37. IC 4-35-7-19, AS ADDED BY P.L.255-2015, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 19. (a) ~~After March 1, 2021, and before June 30, 2021~~; a licensee may submit a plan to the commission for conducting wagering on table games at the licensee's gambling game facility. The commission shall consider a plan submitted under this subsection within forty-five (45) days of receiving the plan:

(b) ~~In making its determination to authorize wagering on table games~~, the commission shall consider the potential:

- (1) economic benefits;
- (2) tax revenue;
- (3) number of new jobs; and
- (4) capital investments;

that could occur if the commission authorizes wagering on table games based on a plan submitted under subsection (a):

(c) ~~After considering a plan submitted under subsection (a) and the criteria described in subsection (b)~~; The commission ~~may~~ **shall** authorize wagering on table games at ~~the~~ **each** licensee's gambling game facility **beginning January 1, 2020**.

~~(d)~~ **(b)** A licensee may not:

- (1) install more gambling games than the number of gambling games proposed in the table game plan submitted to the commission; and
- (2) offer more than two thousand two hundred (2,200) gambling games as provided under section 11(b) of this chapter.

SECTION 38. IC 4-35-8-1, AS AMENDED BY P.L.212-2018(ss), SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) A graduated slot machine wagering tax is imposed as follows on ninety-nine percent (99%) of the adjusted gross receipts received after June 30, 2012, and before July 1, 2013, on ninety-one and five-tenths percent (91.5%) of the adjusted gross receipts received after June 30, 2013, and before July 1, 2015, and on eighty-eight percent (88%) of the adjusted gross receipts received after June 30, 2015, from wagering on gambling games authorized by this article:

- (1) Twenty-five percent (25%) of the first one hundred million dollars (\$100,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.
- (2) **For periods:**
  - (A) **ending before July 1, 2021**, thirty percent (30%) of the



adjusted gross receipts in excess of one hundred million dollars (\$100,000,000) but not exceeding two hundred million dollars (\$200,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year;  
**and**

**(B) beginning after June 30, 2021, thirty percent (30%) of the adjusted gross receipts in excess of one hundred million dollars (\$100,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.**

(3) **For periods ending before July 1, 2021**, thirty-five percent (35%) of the adjusted gross receipts in excess of two hundred million dollars (\$200,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(b) A licensee shall do the following:

(1) Remit the daily amount of tax imposed by this section to the department on the twenty-fourth calendar day of each month. Any taxes collected during the month but after the day on which the taxes are required to be paid shall be paid to the department at the same time the following month's taxes are due.

(2) Report gaming activity information to the commission daily on forms prescribed by the commission.

(c) The payment of the tax under this section must be in a manner prescribed by the department.

(d) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensee to file a monthly report to reconcile the amounts remitted to the department.

(e) The payment of the tax under this section must be on a form prescribed by the department.

SECTION 39. IC 4-35-8-5, AS AMENDED BY P.L.255-2015, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) This section applies to adjusted gross receipts from wagering on gambling games that occurs after the effective date of this section, as added by SEA 528-2013.

(b) As used in this section, "qualified wagering" refers to wagers made by patrons using noncashable vouchers, coupons, electronic credits, or electronic promotions provided by the licensee.

(c) Subject to subsection (d), a licensee may at any time during the state fiscal year deduct from the adjusted gross receipts reported by the licensee the adjusted gross receipts attributable to qualified wagering.



A licensee must take a deduction under this section on a form and in the manner prescribed by the department.

(d) A licensee may not deduct more than the following amounts in a particular state fiscal year:

- (1) Two million five hundred thousand dollars (\$2,500,000) in a state fiscal year ending before July 1, 2013.
- (2) Five million dollars (\$5,000,000) in a state fiscal year beginning after June 30, 2013, and ending before July 1, 2015.
- (3) Seven million dollars (\$7,000,000) in a state fiscal year beginning after June 30, 2015, **and ending before July 1, 2021.**
- (4) **Nine million dollars (\$9,000,000) in a state fiscal year beginning after June 30, 2021.**

(e) Deductions under this section also apply to a licensee's adjusted gross receipts for purposes of the following statutes:

- (1) IC 4-35-7-12.
- (2) IC 4-35-8.5.
- (3) IC 4-35-8.9.

(f) A licensee may for a state fiscal year assign all or part of the amount of the deduction under this section that is not claimed by the licensee for the state fiscal year to another licensee, a licensed owner as defined by IC 4-33-2-13, or an operating agent as defined by IC 4-33-2-14.5. An assignment under this subsection must be in writing and both the licensee assigning the deduction and the licensee, licensed owner as defined by IC 4-33-2-13, or operating agent as defined by IC 4-33-2-14.5, to which the deduction is assigned shall report the assignment to the commission and to the department. The maximum amount that may be assigned under this subsection by a licensee for a state fiscal year is equal to the result of:

- (1) seven million dollars (\$7,000,000); minus
- (2) the amount deducted under this subsection by the licensee for the state fiscal year.

SECTION 40. IC 4-35-8.3-4, AS AMENDED BY P.L.268-2017, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. Before December 1 of each year, the auditor of state shall distribute an amount equal to the fees deposited in that year under section 3 of this chapter to communities and schools located near a historic hotel district and the Indiana economic development corporation as follows:

- (1) Twenty-two and four-tenths percent (22.4%) to be paid as follows:
  - (A) Fifty percent (50%) to the fiscal officer of the town of French Lick.



- (B) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.
- (2) Fourteen and eight-tenths percent (14.8%) to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the county shall provide a formula for the distribution of the money received under this subdivision among the school corporations by joint resolution adopted by the governing body of each of the school corporations in the county. Money received by a school corporation under this subdivision must be used to improve the educational attainment of students enrolled in the school corporation receiving the money. Not later than the first regular meeting in the school year of a governing body of a school corporation receiving a distribution under this subdivision, the superintendent of the school corporation shall submit to the governing body a report describing the purposes for which the receipts under this subdivision were used and the improvements in educational attainment realized through the use of the money. The report is a public record.
- (3) Thirteen and one-tenth percent (13.1%) to the county treasurer of Orange County.
- (4) Five and three-tenths percent (5.3%) to the county treasurer of Dubois County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body shall provide for the distribution of the money received under this subdivision 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.
- (5) Five and three-tenths percent (5.3%) to the county treasurer of Crawford County for appropriation by the county fiscal body. The county fiscal body shall provide for the distribution of the money received under this subdivision 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.
- (6) Six and thirty-five hundredths percent (6.35%) to the fiscal officer of the town of Paoli.
- (7) Six and thirty-five hundredths percent (6.35%) to the fiscal officer of the town of Orleans.
- (8) Twenty-six and four-tenths percent (26.4%) to the Indiana economic development corporation for transfer as follows:



(A) Ten percent (10%) of the amount transferred under this subdivision in each calendar year shall be transferred to the South Central Indiana Regional Economic Development Corporation or a successor entity or partnership for economic development for the purpose of recruiting new business to Orange County and promoting the retention and expansion of existing businesses in Orange County.

(B) The remainder of the amount transferred under this subdivision in each calendar year shall be transferred to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities.

However if the amount distributed under ~~IC 4-33-13-5(b)(2)(H)~~ **IC 4-33-13-5(b)(3)(H)** to the Orange County development commission is insufficient to meet the obligations described in ~~IC 4-33-13-5(b)(2)(H)~~; **IC 4-33-13-5(b)(3)(H)**, an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under IC 4-33-13-5 were pledged before January 1, 2015, by the Orange County development commission shall be paid to the Orange County development commission before making distributions to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or their successor entities or partnerships. The amount paid to the Orange County development commission reduces the amount payable to Radius Indiana or its successor entity or partnership.

SECTION 41. IC 4-35-8.5-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 0.5. This chapter does not apply to sports wagering conducted under IC 4-38.**

SECTION 42. IC 4-35-11-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 11. This chapter applies to sports wagering conducted under IC 4-38 by a licensee.**

SECTION 43. IC 4-38 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

**ARTICLE 38. SPORTS WAGERING**  
**Chapter 1. General Provisions**





**Sec. 1.** Pursuant to 15 U.S.C. 1172, approved January 2, 1951, the state of Indiana, acting by and through duly elected and qualified members of the legislature, does declare and proclaim that the state is exempt from the provisions of 15 U.S.C. 1172.

**Sec. 2.** All shipments of gambling devices used to conduct sports wagering under this article to an operating agent, a licensed owner, or a permit holder in Indiana, the registering, recording, and labeling of which have been completed by the manufacturer or dealer thereof in accordance with 15 U.S.C. 1171 through 1178, are legal shipments of gambling devices into Indiana.

**Sec. 3.** The commission shall regulate and administer sports wagering conducted by a certificate holder or vendor under this article.

**Sec. 4.** The commission has the following powers and duties for the purpose of administering, regulating, and enforcing the system of sports wagering authorized under this article:

- (1) All powers and duties specified in this article.
- (2) All powers necessary and proper to fully and effectively execute this article.
- (3) Jurisdiction and supervision over the following:
  - (A) All sports wagering operations in Indiana.
  - (B) All persons at licensed facilities where sports wagering is conducted.
- (4) Any power specified in IC 4-33 or IC 4-35 concerning the supervision of persons conducting gambling games, patrons wagering on gambling games, and the facilities in which gambling games are conducted.
- (5) To investigate and reinvestigate applicants, certificate holders, licensees, and vendors.
- (6) To investigate alleged violations of this article.
- (7) To revoke, suspend, or renew certificates and licenses under this article.
- (8) To take any reasonable or appropriate action to enforce this article.

**Sec. 5.** The commission may do the following:

- (1) Take appropriate administrative enforcement or disciplinary action against a person who violates this article.
- (2) Conduct hearings.
- (3) Issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records, and other relevant documents.
- (4) Administer oaths and affirmations to witnesses.



## **Chapter 2. Definitions**

**Sec. 1.** The definitions set forth in this chapter apply throughout this article unless the context clearly denotes otherwise.

**Sec. 2.** "Adjusted gross receipts" means:

(1) the total of all cash and property (including checks received by a certificate holder, whether collected or not) received by a certificate holder from sports wagering; minus

(2) the total of:

(A) all cash paid out as winnings to sports wagering patrons, including the cash equivalent of any merchandise or thing of value awarded as a prize; and

(B) uncollectible gaming receivables, not to exceed the lesser of:

(i) a reasonable provision for uncollectible patron checks received from sports wagering; or

(ii) two percent (2%) of the total of all sums (including checks, whether collected or not) less the amount paid out as winnings to sports wagering patrons.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the certificate holder from sports wagering.

**Sec. 3.** "Amateur youth sporting event" refers to any sporting event in which an individual:

(1) must be less than eighteen (18) years of age to participate; and

(2) is prohibited, as a condition of participating in the sporting event, from receiving direct or indirect compensation for the use of the individual's athletic skill in any manner with respect to the sport in which the particular sporting event is conducted.

**Sec. 4.** "Certificate holder" means a licensed owner, operating agent, or permit holder issued a certificate of authority by the commission authorizing the licensed owner, operating agent, or permit holder to conduct sports wagering independently or through a vendor under this article.

**Sec. 5.** "Commission" refers to the Indiana gaming commission established by IC 4-33-3-1.

**Sec. 6.** "Department" refers to the department of state revenue.

**Sec. 7.** "E-sports" means a single player or multiplayer video game played competitively, typically by professional gamers.

**Sec. 8.** "Geofence" means a virtual geographic boundary defined by GPS or RFID technology, which enables software to



trigger a response when a mobile device enters or leaves a particular area.

**Sec. 9. "Gross receipts"** means the total amount of money received by a certificate holder from sports wagering patrons.

**Sec. 10. "In-play wagering"** refers to the practice of placing a wager after a sporting event has started.

**Sec. 11. "Licensed facility"** means any of the following:

- (1) A satellite facility operated under IC 4-31-5.5.
- (2) A riverboat operated under IC 4-33.
- (3) A property owned by a permit holder that contains both a gambling game facility operated under IC 4-35 and a racetrack at which live horse racing is conducted under IC 4-31.

**Sec. 12. "Licensed owner"** has the meaning set forth in IC 4-33-2-13.

**Sec. 13. "Occupational license"** means a license issued by the commission under IC 4-33-8.

**Sec. 14. "Operating agent"** means a person with whom the commission has entered into a contract under IC 4-33-6.5 to operate a riverboat in a historic hotel district.

**Sec. 15. "Permit holder"** has the meaning set forth in IC 4-31-2-14.

**Sec. 16. "Person"** means an individual, a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, or any other business entity.

**Sec. 17. "Riverboat"** has the meaning set forth in IC 4-33-2-17.

**Sec. 18. "Sports wagering"** refers to wagering conducted under this article on athletic and sporting events involving human competitors and other events approved by the commission. The term does not include pari-mutuel wagering on horse racing or money spent to participate in paid fantasy sports under IC 4-33-24.

**Sec. 19. "Sports wagering device"** refers to a mechanical, electrical, or computerized contrivance, terminal, device, apparatus, piece of equipment, or supply approved by the commission for conducting sports wagering under this article. The term does not include a personal computer, mobile device, or other device used in connection with sports wagering under IC 4-38-5-12.

**Sec. 20. "Sports wagering service provider"** means a person that contracts with a certificate holder, a vendor, or an applicant for a certificate of authority under IC 4-38-4 or vendor's license to:

- (1) sell, lease, offer, or otherwise provide or distribute a sports wagering device or associated equipment;



- (2) service a sports wagering device or associated equipment;  
or
- (3) provide risk management services, integrity services, or odds.

Sec. 21. "Sports wagering service provider license" means a license issued under IC 4-38-7.

Sec. 22. "Supplier's license" means a license issued under IC 4-33-7.

Sec. 23. "Vendor" means a person with whom a certificate holder contracts for either of the following:

- (1) Conducting or managing sports wagering operations within a licensed facility.
- (2) Conducting sports wagering through mobile devices under IC 4-38-5-12.

Sec. 24. "Vendor's license" means a license issued to a vendor under IC 4-38-6.

### Chapter 3. Administrative Rules

Sec. 1. The commission shall adopt rules under IC 4-22-2, including emergency rules in the manner provided under IC 4-22-2-37.1, to implement this article. Rules adopted under this section must include the following:

- (1) Standards for the conduct of sports wagering under this article.
- (2) Standards and procedures to govern the conduct of sports wagering, including the manner in which:
  - (A) wagers are received;
  - (B) payouts are paid; and
  - (C) point spreads, lines, and odds are determined.
- (3) Standards for allowing a certificate holder to offer sports wagering as an interactive form of gaming.
- (4) Rules prescribing the manner in which a certificate holder's books and financial records relating to sports wagering are maintained and audited, including standards for the daily counting of a certificate holder's gross receipts from sports wagering and standards to ensure that internal controls are followed.
- (5) Rules concerning compulsive gambling.
- (6) Standards for approving procedures and technologies necessary to comply with the requirements of IC 4-38-9.
- (7) Standards for approving procedures and technologies necessary for a certificate holder or vendor to securely and efficiently maintain and store records of all bets and wagers



placed with the certificate holder or vendor.

**(8) Rules establishing geofence standards concerning where a wager may and may not be placed, including:**

**(A) only placing wagers within the boundaries of Indiana; and**

**(B) prohibiting wagers at the location of particular sporting events.**

**(9) Standards for allowing a certificate holder to accept wagers through a mobile device under IC 4-38-5-12.**

**(10) Rules concerning the use of the source of data in sports wagering.**

**Sec. 2. Rules adopted under section 1 of this chapter must require a certificate holder to do the following:**

**(1) Designate one (1) or more areas within the licensed facility operated by the certificate holder for sports wagering conducted under this article.**

**(2) Ensure that the certificate holder's surveillance system covers all areas of the certificate holder's licensed facility in which sports wagering is conducted.**

**(3) Allow the commission to be present through the commission's gaming agents during the time sports wagering is conducted in all areas of the certificate holder's licensed facility in which sports wagering is conducted to do the following:**

**(A) Ensure maximum security of the counting and storage of the sports wagering revenue received by the certificate holder.**

**(B) Certify the sports wagering revenue received by the certificate holder.**

**(C) Receive complaints from the public.**

**(D) Conduct other investigations into the conduct of sports wagering and the maintenance of the equipment that the commission considers necessary and proper for sports wagering.**

**(4) Ensure that individuals who are less than twenty-one (21) years of age do not make wagers under this article.**

**(5) Provide written information to sports wagering patrons about sports wagering, payouts, winning wagers, and other information considered relevant by the commission.**

#### **Chapter 4. Authority to Conduct Sports Wagering**

**Sec. 1. A person holding a certificate of authority issued under this chapter is authorized to conduct sports wagering under this**



article beginning September 1, 2019.

**Sec. 2.** Beginning July 1, 2019, the commission may accept applications for a certificate of authority from any licensed owner, operating agent, or permit holder that wishes to conduct sports wagering under this article. The commission shall prescribe the form of the application.

**Sec. 3. (a)** A licensed owner, operating agent, or permit holder that wishes to offer sports wagering under this article at a riverboat operated under IC 4-33 or a property described in IC 4-38-2-11(3) must:

- (1) submit an application to the commission in the manner prescribed by the commission for each licensed facility in which the applicant wishes to conduct sports wagering; and
- (2) pay an initial fee of one hundred thousand dollars (\$100,000).

**(b)** A permit holder that wishes to offer sports wagering under this article at a satellite facility operated under IC 4-31-5.5 must:

- (1) submit an application to the commission in the manner prescribed by the commission for each satellite facility in which the applicant wishes to conduct sports wagering; and
- (2) pay an initial fee of one hundred thousand dollars (\$100,000).

**Sec. 4.** Upon:

- (1) receipt of the application and fee required by section 3 of this chapter; and
- (2) approving the submitted application;

the commission shall issue a certificate of authority to a licensed owner, an operating agent, or a permit holder authorizing the licensed owner, operating agent, or permit holder to conduct sports wagering under this article in a designated licensed facility.

**Sec. 5.** The commission shall deposit fees received under section 3 of this chapter in the sports wagering fund established by IC 4-38-8-2.

**Sec. 6.** When considering a person's application for a certificate of authority to conduct sports wagering, the commission may issue the person a temporary certificate of authority to conduct business under this article if:

- (1) the person has filed with the commission:
  - (A) a completed application; or
  - (B) a substantially complete application as determined by the commission; and
- (2) the person agrees in writing to the following conditions of



the temporary certificate of authority issued under this section:

(A) The temporary certificate of authority does not create a right or privilege to continue conducting business under this article if the person's application for a certificate of authority to conduct sports wagering is rejected by the commission.

(B) The commission may rescind the person's temporary authority to conduct business under this article at any time, with or without notice to the person, if:

(i) the commission is informed that the suitability of the person may be at issue; and

(ii) the person fails to cooperate with the commission in the commission's investigation into the qualifications and suitability of the person for a certificate of authority to conduct sports wagering.

#### Chapter 5. Conduct of Sports Wagering

Sec. 1. (a) The commission shall test new sports wagering devices and new forms, variations, or composites of sports wagering under the terms and conditions that the commission considers appropriate before authorizing a certificate holder to offer a new sports wagering device or a new form, variation, or composite of sports wagering.

(b) A certificate holder shall provide all data relating to the conduct of sports wagering to the commission.

(c) The commission may provide data received from a certificate holder to any governing body conducting a sporting event described in section 4(a) of this chapter.

Sec. 2. A certificate holder shall designate one (1) or more areas within each licensed facility in which the certificate holder is authorized to conduct sports wagering under this article. Except as provided in section 12 of this chapter, sports wagering may not be conducted at any location other than an area designated under this section.

Sec. 3. (a) Except as provided in subsection (b), a person who is less than twenty-one (21) years of age may not be present in an area where sports wagering is being conducted.

(b) A person who is at least eighteen (18) years of age and who is an employee of a certificate holder's licensed facility may be present in an area where sports wagering is conducted. However, an employee who is less than twenty-one (21) years of age may not perform any function involving sports wagering by the patrons.



**Sec. 4. (a)** A certificate holder or vendor may accept wagers on professional and collegiate sporting events approved for sports wagering by the commission, and other events as approved by the commission. A certificate holder or vendor may use data selected in a manner approved by the commission to determine whether a wager is a winning wager.

**(b)** A certificate holder or vendor may not accept wagers on e-sports regardless of whether the e-sports event involves one (1) or multiple players.

**(c)** The commission may authorize in-play wagering under this article.

**Sec. 5.** A certificate holder or vendor may not accept wagers on the following:

- (1)** High school and other amateur youth sporting events.
- (2)** A sporting event that has not been approved for sports wagering by the commission.

**Sec. 6.** A certificate holder or vendor may not cancel a wager that has been accepted, except in the event of obvious error, at the certificate holder's or vendor's discretion. A certificate holder or vendor must pay winning patrons following the end of the sporting event.

**Sec. 7.** A certificate holder or vendor may not permit any sports wagering on the premises of a licensed facility except as permitted by this article.

**Sec. 8. (a)** A sports wagering device, platform, or other means of conducting sports wagering must be:

- (1)** approved by the commission; and
- (2)** acquired by a certificate holder or vendor from a person holding a supplier's license or a sports wagering service provider license.

**(b)** The commission shall determine whether other supplies and equipment used to conduct sports wagering require a certificate holder to acquire the supplies and equipment from a person holding a supplier's license or a sports wagering service provider license.

**(c)** IC 4-33-7 applies to the distribution of sports wagering devices and the conduct of sports wagering under this article.

**Sec. 9.** The commission shall determine the occupations related to sports wagering that require an occupational license. IC 4-33-8 applies to the conduct of sports wagering under this article.

**Sec. 10. (a)** This section applies to sports wagering conducted at a satellite facility by a certificate holder that is a permit holder.





(b) A certificate issued under this article is null and void if the certificate holder fails to:

- (1) maintain a license issued under IC 4-31-5.5 to operate the satellite facility; or
- (2) satisfy the conditions for obtaining a satellite facility license set forth in IC 4-31-5.5-3(b)(3) in the certificate holder's operation of the satellite facility.

Sec. 11. A person who is less than twenty-one (21) years of age may not make a wager under this article.

Sec. 12. A certificate holder or vendor may accept wagers placed using a mobile device from a patron located in Indiana if the patron registers with the certificate holder or vendor as a mobile device user. A patron may register under this section in person at the certificate holder's licensed facility or online using mobile applications and digital platforms approved by the commission.

#### Chapter 6. Vendors

Sec. 1. A person must hold a license issued under this chapter before operating as a vendor on behalf of a certificate holder.

Sec. 2. The commission may issue a vendor's license to a qualified applicant.

Sec. 3. (a) A person applying for a vendor's license under this chapter must pay a nonrefundable application fee of one hundred thousand dollars (\$100,000) to the commission. The commission shall deposit fees received under this section in the sports wagering fund established by IC 4-38-8-2.

(b) An applicant must submit the following on forms provided by the commission:

- (1) If the applicant is an individual, two (2) sets of the individual's fingerprints.
- (2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for a vendor's license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the vendor's license.

(d) The costs of investigating an applicant for a vendor's license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for a vendor's license under this chapter must pay all additional costs that are:

- (1) associated with the investigation of the applicant; and
- (2) greater than the amount of the application fee paid by the



applicant.

**Sec. 4. In determining whether to grant a vendor's license to an applicant, the commission shall consider the character, reputation, experience, and financial integrity of the following:**

- (1) The applicant.**
- (2) A person that:**
  - (A) directly or indirectly controls the applicant; or**
  - (B) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.**

**Sec. 5. (a) The state police department may assist the commission in conducting background investigations of applicants for a vendor's license. The commission may forward all fingerprints required to be submitted by license applicants under this chapter to the Federal Bureau of Investigation or any other agency for the purpose of screening applicants. The commission shall reimburse the state police department for the costs incurred by the state police department as a result of the assistance. The commission shall make the payment from fees collected from applicants.**

**(b) The commission through its gaming agents shall conduct background investigations of applicants. Costs incurred conducting the investigations must be paid from fees collected from applicants.**

**Sec. 6. A person holding a vendor's license shall pay to the commission an annual administrative fee of fifty thousand dollars (\$50,000). The fee imposed by this section is due one (1) year after the date that the vendor begins performing services under a contract with a certificate holder in the conduct of sports wagering under this article and on each annual anniversary date thereafter. The commission shall deposit the administrative fees received under this section in the sports wagering fund established by IC 4-38-8-2.**

**Sec. 7. When considering a person's application for a vendor's license, the commission may issue the person a temporary license to conduct business under this article if:**

- (1) the person has filed with the commission:**
  - (A) a completed application; or**
  - (B) a substantially complete application as determined by the commission; and**
- (2) the person agrees in writing to the following conditions of the temporary license issued under this section:**
  - (A) The temporary license does not create a right or**



privilege to continue conducting business under this article if the person's application for a vendor's license is rejected by the commission.

(B) The commission may rescind the person's temporary license and the authority to conduct business under this article at any time, with or without notice to the person, if:

- (i) the commission is informed that the suitability of the person may be at issue; and
- (ii) the person fails to cooperate with the commission in the commission's investigation into the qualifications and suitability of the person for a vendor's license.

Sec. 8. A certificate holder may not contract with more than three (3) individually branded vendors to conduct mobile sports wagering under IC 4-38-5-12.

#### Chapter 7. Sports Wagering Service Providers

Sec. 1. A person must hold a license issued under this chapter before operating as a sports wagering service provider with a certificate holder, a vendor, or an applicant for a certificate of authority under IC 4-38-4 or a vendor's license.

Sec. 2. The commission may issue a sports wagering service provider license to a qualified applicant.

Sec. 3. (a) A person applying for a sports wagering service provider license under this chapter must pay a nonrefundable application fee of ten thousand dollars (\$10,000) to the commission. The commission shall deposit fees received under this section in the sports wagering fund established by IC 4-38-8-2.

(b) An applicant must submit a completed application on a form prescribed by the commission.

Sec. 4. While considering a person's application for a sports wagering service provider license, the commission may issue the person a temporary license to conduct business under this article if the following criteria are met:

- (1) The person has filed with the commission either of the following:
  - (A) A completed application.
  - (B) A substantially complete application as determined by the commission.
- (2) The person agrees in writing to the following conditions of the temporary license issued under this section:
  - (A) The temporary license does not create a right or privilege to continue conducting business under this article if the person's application for a sports wagering service



provider license is rejected by the commission.

(B) The commission may rescind the person's temporary license and the authority to conduct business under this article at any time, with or without notice to the person, if:

- (i) the commission is informed that the suitability of the person may be at issue; and
- (ii) the person fails to cooperate with the commission in the commission's investigation into the qualifications and suitability of the person for a sports wagering service provider license.

**Sec. 5.** When reviewing a person's application for a sports wagering service provider license, the commission:

- (1) shall consider the suitability findings of other jurisdictions in which the person is licensed, certified, or authorized to conduct business as a sports wagering service provider; and
- (2) may waive requirements set forth in the application form prescribed by the commission if:
  - (A) the suitability findings of other jurisdictions provide sufficient information to fully consider the person's application; and
  - (B) the person provides all the information otherwise requested by the commission.

#### **Chapter 8. Annual License Fees**

**Sec. 1.** A certificate holder shall pay to the commission an annual administrative fee of fifty thousand dollars (\$50,000). The fee imposed by this section is due one (1) year after the date that the certificate holder commences sports wagering operations under this article and on each annual anniversary date thereafter. The commission shall deposit the administrative fees received under this section in the sports wagering fund established by section 2 of this chapter.

**Sec. 2. (a)** The sports wagering fund is established.

**(b)** The commission shall administer the fund.

**(c)** The fund consists of the following:

- (1) Initial fees deposited in the fund under IC 4-38-4-5.
- (2) Fees deposited in the fund under IC 4-38-6.
- (3) Fees deposited in the fund under IC 4-38-7.
- (4) Administrative fees deposited in the fund under section 1 of this chapter.

#### **Chapter 9. Integrity Requirements**

**Sec. 1. (a)** A certificate holder or vendor shall conduct:

- (1) background checks on newly hired employees engaged in



activities related to the conducting of sports wagering; and  
 (2) annual background checks on all existing employees engaged in activities related to the conducting of sports wagering.

A background check conducted under this section must include a search for criminal history and any charges or convictions involving corruption or manipulation of sporting events and any association with organized crime.

(b) A person may not obtain any of the following required for conducting business under this article unless the person meets the suitability requirements determined by the commission:

- (1) A vendor's license.
- (2) A sports wagering service provider license.
- (3) A supplier's license.
- (4) An occupational license.

Sec. 2. (a) A certificate holder, vendor, or sports wagering service provider shall employ commercially reasonable methods to maintain the security of wagering data, customer data, and other confidential information from unauthorized access and dissemination.

(b) Nothing in this article precludes the use of Internet or cloud based hosting of data described in subsection (a) or any disclosure of information required by court order, other law, or this article.

Sec. 3. The commission shall require a certificate holder and vendor to take commercially reasonable measures to ensure that a certificate holder or vendor does not accept wagers placed by any of the following:

- (1) A partnership, a corporation, an association, or any other entity that is not an individual.
- (2) A person who is not at least twenty-one (21) years of age.
- (3) A certificate holder, a vendor, a director, officer, or employee of the certificate holder or vendor, or a relative living in the same household of a certificate holder or vendor.
- (4) A sports wagering service provider, a director, officer, or employee of a sports wagering service provider, or a relative living in the same household of a sports wagering service provider.
- (5) With respect to a sporting event sponsored, organized, or conducted by a particular sports governing body, any of the following:
  - (A) An employee of the sports governing body.
  - (B) A game official employed by or under contract with the



sports governing body.

(C) A coach, manager, or other personnel employed by or under contract with a member club of the sports governing body.

(D) An athlete who is:

(i) under contract with a member club of the sports governing body in the case of a team sport; or

(ii) eligible to participate in events conducted by the sports governing body in the case of an individual sport.

(E) An employee of a union representing athletes or game officials.

(F) A relative living in the same household of an individual described in clauses (A) through (E).

(6) An individual convicted of a state or federal crime relating to sports wagering.

Sec. 4. (a) The commission may use information received from a sports governing body to determine whether to allow:

(1) wagering on a particular event; or

(2) patrons to make wagers of a particular type.

(b) If a sports governing body requests wagering information or requests the commission to prohibit wagering on a particular event or making wagers of a particular type, the commission shall grant the request upon a demonstration of good cause from the sports governing body.

(c) The commission shall respond to a request from a sports governing body concerning a particular event:

(1) before the start of the event; or

(2) if it is not feasible to respond before the start of the event, as expeditiously as possible.

Sec. 5. The commission and each certificate holder or vendor shall cooperate with investigations conducted by sports governing bodies or law enforcement agencies, including by providing or facilitating the provision of betting information and audio or video files relating to persons placing wagers. Information shared under this section is confidential.

Sec. 6. A certificate holder or vendor shall promptly report to the commission any information relating to:

(1) criminal or disciplinary proceedings commenced against the certificate holder or vendor in connection with its operations;

(2) bets or wagers that violate state or federal law;

(3) abnormal betting activity or patterns that may indicate a



concern regarding the integrity of a sporting event or events;  
 (4) any potential breach of the relevant sport's governing body's internal rules and codes of conduct pertaining to sports wagering;  
 (5) any other conduct that corrupts a betting outcome of a sporting event or events for purposes of financial gain; and  
 (6) suspicious or illegal wagering activities, including use of funds derived from illegal activity, wagers to conceal or launder funds derived from illegal activity, using agents to place wagers, and using false identification.

A certificate holder or vendor shall also promptly report information relating to conduct described in subdivision (3), (4), or (5) to the relevant sports governing body.

Sec. 7. A certificate holder or vendor shall maintain the confidentiality of information provided by a sports governing body to the certificate holder or vendor, unless disclosure is required by this article, the commission, other law, or court order.

Sec. 8. Information provided to the commission by a sports governing body is confidential and may not be disclosed under IC 5-14.

#### Chapter 10. Sports Wagering Tax

Sec. 1. A sports wagering tax is imposed on the adjusted gross receipts received from authorized sports wagering offered by a certificate holder under this article at a rate of nine and one-half percent (9.5%).

Sec. 2. A certificate holder shall pay the sports wagering taxes imposed under section 1 of this chapter to the department on the twenty-fourth calendar day of each month. Any taxes collected during the month but after the day on which the taxes are required to be paid to the department shall be paid to the department at the same time the following month's taxes are due.

Sec. 3. (a) Except as provided in subsection (b), the department shall deposit the tax revenue collected under section 2 of this chapter in the state general fund.

(b) The department shall transfer an amount equal to three and thirty-three hundredths percent (3.33%) of the tax revenue collected under section 2 of this chapter to the addiction services fund established by IC 12-23-2-2.

(c) Twenty-five percent (25%) of the tax revenue transferred under subsection (b) must be allocated to:

- (1) the prevention of;
- (2) education regarding;



- (3) provider credentialing for; and
- (4) treatment of; compulsive gambling.

**Sec. 4.** The commission may suspend or revoke the certificate of authority of a certificate holder that does not submit the payment or the tax return form within the required time.

**Sec. 5.** The payment of the tax under this chapter must be on a form and in a manner prescribed by the department.

#### **Chapter 11. Child Support**

**Sec. 1. (a)** The bureau shall provide information to a certificate holder concerning persons who are delinquent in child support.

**(b)** Prior to a certificate holder disbursing a payout of six hundred dollars (\$600) or more, in winnings, from sports wagering to a person who is delinquent in child support and who is claiming the winning sports wager in person at the certificate holder's facility, the certificate holder:

**(1)** may deduct and retain an administrative fee in the amount of the lesser of:

- (A)** three percent (3%) of the amount of delinquent child support withheld under subdivision (2)(A); or
- (B)** one hundred dollars (\$100); and

**(2)** shall:

**(A)** withhold the amount of delinquent child support owed from winnings;

**(B)** transmit to the bureau:

- (i)** the amount withheld for delinquent child support; and
- (ii)** identifying information, including the full name, address, and Social Security number of the obligor and the child support case identifier, the date and amount of the payment, and the name and location of the licensed owner, operating agent, or trustee; and

**(C)** issue the obligor a receipt in a form prescribed by the bureau with the total amount withheld for delinquent child support and the administrative fee.

**(c)** The bureau shall notify the obligor at the address provided by the certificate holder that the bureau intends to offset the obligor's delinquent child support with the winnings.

**(d)** The bureau shall hold the amount withheld from the winnings of an obligor for ten (10) business days before applying the amount as payment to the obligor's delinquent child support.

**(e)** The delinquent child support required to be withheld under





**this section and an administrative fee described under subsection (b)(1) have priority over any secured or unsecured claim on winnings except claims for federal or state taxes that are required to be withheld under federal or state law.**

**Sec. 2. IC 4-31-6-11, IC 4-33-8.5, and IC 4-35-6.7 apply, as appropriate, to sports wagering conducted at a licensed facility.**

SECTION 44. IC 6-3.1-20-7, AS AMENDED BY P.L.204-2016, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) The department shall before July 1 of each year determine the following:

(1) The greater of:

(A) eight million five hundred thousand dollars (\$8,500,000);

or

(B) the amount of credits allowed under this chapter for taxable years ending before January 1 of the year.

(2) The quotient of:

(A) the amount determined under subdivision (1); divided by

(B) four (4).

(b) Except as provided in subsection (d), one-half (1/2) of the amount determined by the department under subsection (a)(2) shall be:

(1) deducted each quarter from the riverboat **admissions supplemental wagering** tax revenue otherwise payable to the county under IC 4-33-12-8 and the supplemental distribution otherwise payable to the county under IC 4-33-13-5(g); and

(2) paid instead to the state general fund.

(c) Except as provided in subsection (d), one-sixth (1/6) of the amount determined by the department under subsection (a)(2) shall be:

(1) deducted each quarter from the riverboat **admissions supplemental wagering** tax revenue otherwise payable under IC 4-33-12-8 and the supplemental distribution otherwise payable under IC 4-33-13-5(g) to each of the following:

(A) The largest city by population located in the county.

(B) The second largest city by population located in the county.

(C) The third largest city by population located in the county; and

(2) paid instead to the state general fund.

(d) If the amount determined by the department under subsection (a)(1)(B) is less than eight million five hundred thousand dollars (\$8,500,000), the difference of:

(1) eight million five hundred thousand dollars (\$8,500,000); minus



(2) the amount determined by the department under subsection (a)(1)(B); shall be paid in four (4) equal quarterly payments to the northwest Indiana regional development authority established by IC 36-7.5-2-1 instead of the state general fund. Any amounts paid under this subsection shall be used by the northwest Indiana regional development authority only to establish or improve public mass rail transportation systems in Lake County.

SECTION 45. IC 31-25-4-8.5, AS AMENDED BY P.L.212-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 8.5. In addition to the duties imposed by sections 7 and 8 of this chapter, the bureau shall do the following:

- (1) Share data regarding obligors who are delinquent with:
  - (A) a licensed owner, operating agent, and trustee in accordance with IC 4-33-4-27;
  - (B) a permit holder and trustee in accordance with IC 4-35-4-16;
  - (C) the state lottery commission; ~~and~~
  - (D) a game operator or licensee in accordance with IC 4-33-24-29;
  - (E) a certificate holder as provided in IC 4-38-11; and**
  - (F) for purposes of compliance with rules adopted under IC 4-38-3-1, the Indiana gaming commission;**

to allow for the interception of cash winnings and prizes from the obligors.

- (2) Distribute money collected from the persons described in subdivision (1) according to federal child support laws and regulations.

SECTION 46. IC 35-45-5-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 14. This chapter does not apply to sports wagering conducted under IC 4-38.**

SECTION 47. IC 36-7-11.5-11, AS AMENDED BY P.L.255-2015, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11. (a) As used in this section, "fund" refers to the West Baden Springs historic hotel preservation and maintenance fund established by subsection (b).

(b) The West Baden Springs historic hotel preservation and maintenance fund is established. The fund consists of the following:

- (1) Amounts deposited in the fund under IC 4-33-6.5-6, IC 4-33-12-6 (before the enactment of P.L.96-2010), IC 4-33-13-5(b), (~~before July 1, 2015~~); IC 6-9-45.5, and



IC 6-9-45.6.

(2) Grants and gifts that the department of natural resources receives for the fund under terms, obligations, and liabilities that the department considers appropriate.

(3) The one million dollar (\$1,000,000) initial fee paid to the gaming commission under IC 4-33-6.5.

(4) Any amount transferred to the fund upon the repeal of IC 36-7-11.5-8 (the community trust fund).

The fund shall be administered by the department of natural resources. The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund that is not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. The treasurer of state shall deposit in the fund the interest that accrues from the investment of the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(e) ~~One million dollars (\$1,000,000) is appropriated from the fund to the department of natural resources in the state fiscal year beginning after June 30, 2014, and ending before July 1, 2015.~~ Two million dollars (\$2,000,000) is appropriated from the fund to the department of natural resources in each state fiscal year beginning after June 30, 2015. The money appropriated under this subsection may be used by the department of natural resources only for the following purposes:

(1) To reimburse claims made for expenditures for a qualified historic hotel, as determined by the owner of the hotel riverboat resort.

(2) To reimburse claims made for expenditures to maintain:

(A) the grounds surrounding a qualified historic hotel;

(B) supporting buildings and structures related to a qualified historic hotel; and

(C) other facilities used by the guests of the qualified historic hotel;

as determined by the owner of the hotel riverboat resort.

The department of natural resources shall promptly pay each claim for a purpose described in this subsection, without review or approval of the project or claim under IC 14-21 or IC 36-7-11. IC 14-21-1-18 does not apply to projects or claims paid for maintenance under this section. If insufficient money is available to fully pay all of the submitted claims, the department of natural resources shall pay the claims in the order in which they are received until each claim is fully paid.



(f) Notwithstanding IC 4-9.1-1-7, IC 4-12-1-12, IC 4-13-2-18, or any other law, interest accruing to the fund may not be withheld, transferred, assigned, or reassigned to a purpose other than the reimbursement of claims under subsection (e).

SECTION 48. IC 36-7.5-4-2, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2019 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) Except as provided in subsections (b) and (d), the fiscal officer of each city and county described in IC 36-7.5-2-3(b) shall each transfer three million five hundred thousand dollars (\$3,500,000) each year to the development authority for deposit in the development authority revenue fund established under section 1 of this chapter. However, if a county having a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000) ceases to be a member of the development authority and two (2) or more municipalities in the county have become members of the development authority as authorized by IC 36-7.5-2-3(i), the transfer of the local income tax revenue that is dedicated to economic development purposes that is required to be transferred under IC 6-3.6-11-6 is the contribution of the municipalities in the county that have become members of the development authority.

(b) This subsection applies only if:

- (1) the fiscal body of the county described in IC 36-7.5-2-3(e) has adopted an ordinance under IC 36-7.5-2-3(e) providing that the county is joining the development authority;
- (2) the fiscal body of the city described in IC 36-7.5-2-3(e) has adopted an ordinance under IC 36-7.5-2-3(e) providing that the city is joining the development authority; and
- (3) the county described in IC 36-7.5-2-3(e) is an eligible county participating in the development authority.

The fiscal officer of the county described in IC 36-7.5-2-3(e) shall transfer two million six hundred twenty-five thousand dollars (\$2,625,000) each year to the development authority for deposit in the development authority revenue fund established under section 1 of this chapter. The fiscal officer of the city described in IC 36-7.5-2-3(e) shall transfer eight hundred seventy-five thousand dollars (\$875,000) each year to the development authority for deposit in the development authority revenue fund established under section 1 of this chapter.

(c) This subsection does not apply to Lake County, Hammond, Gary, or East Chicago. The following apply to the remaining transfers required by subsections (a) and (b):



(1) Except for transfers of money described in subdivision (4)(D), the transfers shall be made without appropriation by the city or county fiscal body or approval by any other entity.

(2) Except as provided in subdivision (3), each fiscal officer shall transfer eight hundred seventy-five thousand dollars (\$875,000) to the development authority revenue fund before the last business day of January, April, July, and October of each year. Food and beverage tax revenue deposited in the fund under IC 6-9-36-8 is in addition to the transfers required by this section.

(3) The fiscal officer of the county described in IC 36-7.5-2-3(e) shall transfer six hundred fifty-six thousand two hundred fifty dollars (\$656,250) to the development authority revenue fund before the last business day of January, April, July, and October of each year. The county is not required to make any payments or transfers to the development authority covering any time before January 1, 2017. The fiscal officer of a city described in IC 36-7.5-2-3(e) shall transfer two hundred eighteen thousand seven hundred fifty dollars (\$218,750) to the development authority revenue fund before the last business day of January, April, July, and October of each year. The city is not required to make any payments or transfers to the development authority covering any time before January 1, 2017.

(4) The transfers shall be made from one (1) or more of the following:

(A) Riverboat admissions tax revenue received by the city or county, riverboat wagering tax revenue received by the city or county, or riverboat incentive payments received from a riverboat licensee by the city or county.

(B) Any local income tax revenue that is dedicated to economic development purposes under IC 6-3.6-6 and received under IC 6-3.6-9 by the city or county.

(C) Any other local revenue other than property tax revenue received by the city or county.

(D) In the case of a county described in IC 36-7.5-2-3(e) or a city described in IC 36-7.5-2-3(e), any money from the major moves construction fund that is distributed to the county or city under IC 8-14-16.

(d) This subsection applies only to Lake County, Hammond, Gary, and East Chicago. The obligations of each city and the county under subsection (a) are satisfied by the distributions made by the auditor of state on behalf of each unit under ~~IC 4-33-12-6(d)~~ **IC 4-33-12-8** and IC 4-33-13-5(j). However, if the total amount distributed under IC 4-33



on behalf of a unit with respect to a particular state fiscal year is less than the amount required by subsection (a), the fiscal officer of the unit shall transfer the amount of the shortfall to the authority from any source of revenue available to the unit other than property taxes. The auditor of state shall certify the amount of any shortfall to the fiscal officer of the unit after making the distribution required by IC 4-33-13-5(j) on behalf of the unit with respect to a particular state fiscal year.

(e) A transfer made on behalf of a county, city, or town under this section after December 31, 2018:

- (1) is considered to be a payment for services provided to residents by a rail project as those services are rendered; and
- (2) does not impair any pledge of revenues under this article because a pledge by the development authority of transferred revenue under this section to the payment of bonds, leases, or obligations under this article or IC 5-1.3:

(A) constitutes the obligations of the northwest Indiana regional development authority; and

(B) does not constitute an indebtedness of a county, city, or town described in this section or of the state within the meaning or application of any constitutional or statutory provision or limitation.

(f) Neither the transfer of revenue as provided in this section nor the pledge of revenue transferred under this section is an impairment of contract within the meaning or application of any constitutional provision or limitation because of the following:

- (1) The statutes governing local taxes, including the transferred revenue, have been the subject of legislation annually since 1973, and during that time the statutes have been revised, amended, expanded, limited, and recodified dozens of times.
- (2) Owners of bonds, leases, or other obligations to which local tax revenues have been pledged recognize that the regulation of local taxes has been extensive and consistent.
- (3) All bonds, leases, or other obligations, due to their essential contractual nature, are subject to relevant state and federal law that is enacted after the date of a contract.
- (4) The state of Indiana has a legitimate interest in assisting the development authority in financing rail projects.

(g) All proceedings had and actions described in this section are valid pledges under IC 5-1-14-4 as of the date of those proceedings or actions and are hereby legalized and declared valid if taken before March 15, 2018.



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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