



February 4, 2025

HOUSE BILL No. 1434

DIGEST OF HB 1434 (Updated February 4, 2025 9:52 am - DI 144)

Citations Affected: IC 4-33; IC 4-38; IC 7.1-4; IC 12-7; IC 12-23.

Synopsis: Alcohol misuse prevention and treatment fund. Changes the name of the addiction services fund to the alcohol misuse prevention and treatment fund (fund) and makes corresponding changes. Provides for the transfer of the first 6% of the excise taxes collected on alcoholic beverages to the fund before the allocation and distribution of that alcoholic beverage excise tax revenue to the state general fund and to cities and towns. Provides for the transfer of the first 6% of the excise taxes collected on certain alcoholic beverages to the fund before the transfer of that excise tax revenue to the state construction fund. Specifies that the division of mental health and addiction (division) shall set aside the transfers of alcoholic beverage tax revenue deposited into the fund for use in making grants to local coordinating councils for substance use prevention and treatment and mental health related purposes. Requires the division to adopt guidelines and standards for awarding grants, prescribe the form used to apply for a grant, establish a maximum grant amount, and establish annual reporting requirements.

Effective: July 1, 2025.

Smaltz, Harris, Criswell

January 21, 2025, read first time and referred to Committee on Public Policy.
February 4, 2025, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 126.3.

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February 4, 2025

First Regular Session of the 124th General Assembly (2025)

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 2024 Regular Session of the General Assembly.

HOUSE BILL No. 1434

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

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

- 1 SECTION 1. IC 4-33-4-21.2, AS AMENDED BY P.L.86-2018,
2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2025]: Sec. 21.2. (a) The Indiana gaming commission shall
4 require a licensed owner or an operating agent to conspicuously display
5 the number of the toll free telephone line described in IC 4-33-12-9 in
6 the following locations:
7 (1) On each admission ticket to a riverboat if tickets are issued.
8 (2) On a poster or placard that is on display in a public area of
9 each riverboat where gambling games are conducted.
10 (b) The toll free telephone line described in IC 4-33-12-9 must be:
11 (1) maintained by the division of mental health and addiction
12 under IC 12-23-1-6; and
13 (2) funded by the ~~addiction services~~ **alcohol misuse prevention**
14 **and treatment** fund established by IC 12-23-2-2.
15 (c) The commission may adopt rules under IC 4-22-2 necessary to
16 carry out this section.
17 SECTION 2. IC 4-38-10-3, AS ADDED BY P.L.293-2019,

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1 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2025]: Sec. 3. (a) Except as provided in subsection (b), the
3 department shall deposit the tax revenue collected under section 2 of
4 this chapter in the state general fund.

5 (b) The department shall transfer an amount equal to three and
6 thirty-three hundredths percent (3.33%) of the tax revenue collected
7 under section 2 of this chapter to the ~~addiction services~~ **alcohol misuse**
8 **prevention and treatment** fund established by IC 12-23-2-2.

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

- 11 (1) the prevention of;
- 12 (2) education regarding;
- 13 (3) provider credentialing for; and
- 14 (4) treatment of;

15 compulsive gambling.

16 SECTION 3. IC 7.1-4-7-5, AS AMENDED BY P.L.165-2021,
17 SECTION 125, IS AMENDED TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2025]: Sec. 5. The department shall deposit:

- 19 (1) four cents (\$0.04) of the beer excise tax rate collected on each
20 gallon of beer or flavored malt beverage;
- 21 (2) one dollar (\$1) of the liquor excise tax rate collected on each
22 gallon of liquor;
- 23 (3) twenty-five cents (\$0.25) of the wine excise tax rate collected
24 on each gallon of wine;
- 25 (4) the entire amount of malt excise tax collected; and
- 26 (5) the entire amount of hard cider excise tax collected;

27 daily with the treasurer of state and not later than the fifth day of the
28 following month shall cover them into the general fund of the state for
29 distribution as provided in this chapter. **However, the treasurer of**
30 **state shall transfer the first six percent (6%) of the amounts**
31 **deposited under this section to the alcohol misuse prevention and**
32 **treatment fund established by IC 12-23-2-2 before making the**
33 **distributions under sections 6 and 7 of this chapter.**

34 SECTION 4. IC 7.1-4-8-1, AS AMENDED BY P.L.108-2019,
35 SECTION 144, IS AMENDED TO READ AS FOLLOWS
36 [EFFECTIVE JULY 1, 2025]: Sec. 1. The department shall:

- 37 (1) deposit daily with the treasurer of state:
 - 38 (A) three and three-fourths cents (3 3/4¢) of the beer excise
39 tax rate collected on each gallon of beer or flavored malt
40 beverage;
 - 41 (B) one dollar and seventeen cents (\$1.17) of the liquor excise
42 tax rate collected on each gallon of liquor; and



- 1 (C) sixteen cents (16¢) of the wine excise tax rate collected on
 2 each gallon of wine; and
 3 (2) **except as otherwise provided by this section**, not later than
 4 the fifth day of the following month, transfer the deposits under
 5 subdivision (1) into the state construction fund.

6 **However, the treasurer of state shall transfer the first six percent**
 7 **(6%) of the amounts deposited under subdivision (1) to the alcohol**
 8 **misuse prevention and treatment fund established by IC 12-23-2-2**
 9 **before transferring the deposits into the state construction fund as**
 10 **provided in subdivision (2).**

11 SECTION 5. IC 7.1-4-11-4 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. (a) The department
 13 shall daily deposit with the treasurer of state:

- 14 (1) two cents (\$0.02) of the beer excise tax collected on each
 15 gallon of beer or flavored malt beverage, as provided by
 16 IC 7.1-4-2-1;
 17 (2) six cents (\$0.06) of the liquor excise tax collected on each
 18 gallon of liquor, as provided by IC 7.1-4-3-1; and
 19 (3) two cents (\$0.02) of the wine excise tax collected on each
 20 gallon of wine, as provided by IC 7.1-4-4-1.

21 (b) By the fifth day of each month, the treasurer of state shall
 22 transfer into the ~~addiction services~~ **alcohol misuse prevention and**
 23 **treatment** fund (IC 12-23-2) the total amount collected under
 24 subsection (a) for the preceding month.

25 SECTION 6. IC 12-7-2-124.4 IS ADDED TO THE INDIANA
 26 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2025]: **Sec. 124.4. "Local coordinating**
 28 **council", for purposes of IC 12-23-2, has the meaning set forth in**
 29 **IC 12-23-2-1.5.**

30 SECTION 7. IC 12-23-2-1 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. As used in this
 32 chapter, "fund" refers to the ~~addiction services~~ **alcohol misuse**
 33 **prevention and treatment** fund established by section 2 of this
 34 chapter.

35 SECTION 8. IC 12-23-2-1.5 IS ADDED TO THE INDIANA CODE
 36 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 37 1, 2025]: **Sec. 1.5. As used in this chapter, "local coordinating**
 38 **council" means:**

- 39 (1) **a local coordinating council defined in IC 5-2-11-1.6; or**
 40 (2) **an established coalition comprised of a collaborative and**
 41 **broad based group of stakeholders united by a shared**
 42 **commitment to address substance use prevention, substance**



1 **use treatment, mental health, and wellness.**
 2 SECTION 9. IC 12-23-2-2 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. The ~~addiction~~
 4 **services alcohol misuse prevention and treatment** fund is established
 5 for the:

- 6 (1) deposit of excise taxes on alcoholic beverages as described in
 7 IC 7.1-4-11;
 8 (2) **transfer of deposits of excise taxes on alcoholic beverages**
 9 **as described in IC 7.1-4-7-5 and IC 7.1-4-8-1;** and
 10 (3) **deposit of taxes on riverboat admissions under IC 4-33-12-6.**

11 SECTION 10. IC 12-23-2-5, AS AMENDED BY P.L.86-2018,
 12 SECTION 162, IS AMENDED TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2025]: Sec. 5. The general assembly shall
 14 appropriate money from the ~~addiction services~~ fund solely for the
 15 purpose of funding programs:

- 16 (1) that provide prevention services and intervention and
 17 treatment services for individuals who are psychologically or
 18 physiologically dependent upon alcohol or other drugs; and
 19 (2) that are for the prevention and treatment of gambling
 20 problems.

21 Programs funded by the ~~addiction services~~ fund must include the
 22 creation and maintenance of a toll free telephone line under
 23 IC 4-33-12-9(c)(3) to provide the public with information about
 24 programs that provide help with gambling, alcohol, and drug addiction
 25 problems.

26 SECTION 11. IC 12-23-2-8 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 8. (a) Except as
 28 provided in subsection (b), for each state fiscal year, the division shall
 29 distribute an amount equal to at least thirty-three percent (33%) of the
 30 total amount received by the division from the ~~addiction services~~ fund
 31 established by section 2 of this chapter during the immediately
 32 preceding fiscal year to local programs that provide prevention services
 33 and intervention and treatment services for individuals who are:

- 34 (1) psychologically or physiologically dependent upon alcohol or
 35 other drugs; or
 36 (2) psychologically dependent on gambling.

37 (b) The amount described in subsection (a) may not be distributed
 38 to a county home, a local mental health program established under
 39 IC 12-29, or a state institution.

40 SECTION 12. IC 12-23-2-9 IS ADDED TO THE INDIANA CODE
 41 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY
 42 1, 2025]: **Sec. 9. (a) The division shall set aside the amounts**



1 deposited into the fund under section 2(2) of this chapter for use in
2 making grants to local coordinating councils for any combination
3 of the following purposes:

- 4 (1) Underage drinking prevention.
5 (2) Binge drinking prevention.
6 (3) Adult excessive drinking prevention.
7 (4) Substance use disorder treatment.
8 (5) Mental health promotion and suicide prevention.

9 (b) A local coordinating council may apply in the manner
10 prescribed by the division for a grant under this section for a
11 purpose referred to in subsection (a).

12 (c) The division shall do the following:

- 13 (1) Adopt guidelines to determine standards for awarding
14 grants under this section.
15 (2) Prescribe the form for and regulate the submission of
16 applications for grants under this section.
17 (3) Establish a maximum grant amount.
18 (4) Establish annual reporting requirements, which must
19 demonstrate how the local coordinating council used the funds
20 to accomplish any of the purposes referred to in subsection
21 (a).



COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1434, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, delete lines 35 through 38, begin a new paragraph and insert:

"SECTION 8. IC 12-23-2-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 1.5. As used in this chapter, "local coordinating council" means:**

- (1) a local coordinating council defined in IC 5-2-11-1.6; or**
- (2) an established coalition comprised of a collaborative and broad based group of stakeholders united by a shared commitment to address substance use prevention, substance use treatment, mental health, and wellness."**

and when so amended that said bill do pass.

(Reference is to HB 1434 as introduced.)

MANNING

Committee Vote: yeas 12, nays 0.

