



Adopted

Rejected

COMMITTEE REPORT

YES: 9
NO: 1

MR. SPEAKER:

*Your Committee on Public Policy, to which was referred House Bill 1038, 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:*

- 1 Replace the effective dates in SECTIONS 1 through 10 with
- 2 "[EFFECTIVE UPON PASSAGE]".
- 3 Page 1, line 14, after "County" insert ", **DeKalb County, Steuben**
- 4 **County, or Wayne County**".
- 5 Page 2, line 3, reset in roman "ten (10)".
- 6 Page 2, line 3, delete "eleven (11)".
- 7 Page 2, line 15, delete "A" and insert "**Not more than a**".
- 8 Page 2, line 28, after "County" insert ", **DeKalb County, Steuben**
- 9 **County, or Wayne County**".
- 10 Page 2, line 33, delete "A" and insert "**Except as provided in**
- 11 **IC 4-33-6.8, a**".
- 12 Page 3, between lines 12 and 13, begin a new line block indented
- 13 and insert:

"(5) If the commission approves an application of a licensed owner or permit holder to relocate gaming operations from Ohio County under IC 4-33-6.8, a new owner's license may not be issued to authorize gaming operations in Ohio County after gaming operations are relocated to Allen County, DeKalb County, Steuben County, or Wayne County."

Page 3, line 16, after "County" insert ", DeKalb County, Steuben County, or Wayne County".

Page 3, line 18, delete "Allen" and insert "the county in which the casino conducts gaming operations."

Page 3, delete line 19.

Page 3, line 27, after "County" insert ", DeKalb County, Steuben County, or Wayne County".

Page 4, line 33, after "County" insert ", DeKalb County, Steuben County, or Wayne County".

Page 4, delete lines 35 through 42, begin a new paragraph and insert:

"SECTION 6. IC 4-33-6.8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 6.8. Relocation of Casino Operations

Sec. 1. For purposes of this chapter, "Ohio County license" means an owner's license for a riverboat operated from Ohio County.

Sec. 2. For purposes of this chapter, "permit holder" has the meaning set forth in IC 4-31-2.1-27.

Sec. 3. The commission may authorize in the manner required by this chapter the relocation of the Ohio County license to an inland casino in Allen County, DeKalb County, Steuben County, or Wayne County.

Sec. 4. (a) A licensed owner or permit holder may apply to own and operate the Ohio County license by submitting the following to the commission not later than December 1, 2026:

(1) A written application that contains the following information:

(A) The county in which the applicant is proposing to operate an inland casino. For purposes of this clause, the application must select Allen County, DeKalb County,

- 1 Steuben County, or Wayne County.
- 2 **(B) Documented and verifiable information describing the**
- 3 **following:**
- 4 (i) The proposed site of the inland casino.
- 5 (ii) Evidence of site control or real estate options.
- 6 (iii) Conceptual plans for casino and nongaming
- 7 facilities.
- 8 (iv) Estimated construction and total development costs.
- 9 (v) A phased investment and construction timeline.
- 10 (vi) Market and feasibility information.
- 11 (vii) The financial capacity of the applicant.
- 12 **(C) The applicant's commitment and plan to invest at least**
- 13 **five hundred million dollars (\$500,000,000) for the**
- 14 **development of a casino and nongaming amenities onsite**
- 15 **in the county selected under clause (A) in the following**
- 16 **manner:**
- 17 (i) At least sixty percent (60%) of the amount invested in
- 18 the initial phase of development.
- 19 (ii) The remaining amount invested, and the relocation
- 20 and development of the casino and nongaming amenities
- 21 completed, not later than five (5) years after gaming
- 22 operations begin at the relocated casino under this
- 23 chapter.
- 24 **(D) Any other information requested by the commission.**
- 25 **(2) The local government support documents required under**
- 26 **section 5(a) of this chapter.**
- 27 **(b) An application submitted under subsection (a) may include**
- 28 **financial commitments to the horse racing industry.**
- 29 **(c) The commission must begin accepting applications under**
- 30 **subsection (a) not later than October 1, 2026.**
- 31 **(d) For purposes of subsection (a), the commission may not**
- 32 **accept:**
- 33 (1) an application from a person that is not a licensed owner
- 34 or permit holder;
- 35 (2) subject to section 7 of this chapter, more than one (1)
- 36 application from a licensed owner or permit holder;
- 37 (3) an application that proposes to operate an inland casino in
- 38 a county other than Allen County, DeKalb County, Steuben

County, or Wayne County; or

(4) an application that does not include the information and documents required under subsection (a).

Sec. 5. (a) An applicant must submit the following with an application under section 4 of this chapter:

(1) A copy of a resolution adopted by a majority of the board of county commissioners of the county selected by the applicant under section 4(a)(1)(A) of this chapter that supports:

(A) the applicant's proposed relocation; or

(B) the relocation of the Ohio County license to an inland casino in the county without identifying a specific applicant.

(2) If the proposed casino will be located within a municipality, a letter of support for the proposed relocation signed by the mayor of the municipality.

(b) Except as provided in section 7 of this chapter, a unit (as defined in IC 36-1-2-23) may:

(1) privately negotiate with an applicant before an application is submitted; and

(2) support or decline to support specific applicants in a letter or resolution under subsection (a).

Sec. 6. (a) Following the submission of applications under section 4 of this chapter, the commission shall review the filed applications in the manner required by subsections (c) and (d). Not later than January 15, 2027, the commission shall:

(1) make the filed applications available to the public; and

(2) prepare an informational summary of the filed applications and make the summary available to the public.

The commission may redact information that it determines to be confidential in the applications or informational summary made available to the public.

(b) The commission may hire independent consultants or experts to assist with evaluating applications.

(c) The commission must decide whether to approve or deny an application submitted under section 4 of this chapter based on documented and verifiable information, including the following:

(1) The net economic benefit to the state.

- (2) Increased state and local tax revenue.**
- (3) The number and quality of jobs created.**
- (4) The amount of capital investment planned by the applicant under section 4(a)(1)(C) of this chapter.**
- (5) The quality and durability of proposed facilities.**
- (6) The financial stability of the applicant.**
- (7) Site feasibility and infrastructure readiness.**
- (8) Market sustainability.**
- (9) The impact on other Indiana casinos and the horse racing industry.**
- (10) Regulatory compliance history.**
- (11) The total public value of a supplemental bid under section 7 of this chapter, if applicable.**
- (12) Any other factor deemed appropriate by the commission.**

(d) The commission may not decide whether to approve or deny an application submitted under section 4 of this chapter based on lobbying, political pressure, or unverifiable claims.

(e) The commission may hold executive sessions under IC 5-14-1.5-6.1(b)(1) to review and discuss applications submitted under this chapter.

Sec. 7. (a) This section applies if the commission receives more than one (1) application proposing to operate an inland casino in the same county.

(b) The commission may, after making the filed applications available to the public under section 6 of this chapter, solicit and accept a supplemental bid from one (1) or more of the licensed owners or permit holders that submitted an application described in subsection (a).

(c) The following apply to a supplemental bid submitted under subsection (b):

(1) A supplemental bid:

(A) must be submitted only to the commission; and

(B) subject to subsection (e), must be sealed and is confidential.

(2) A supplemental bid may include proposed payments to one (1) or more of the following:

(A) The state.

(B) The community in which the proposed inland casino

1 will be located.

2 (C) The city of Rising Sun.

3 (D) Ohio County.

4 (3) Each supplemental bid must clearly identify the amount,
5 recipient, and timing of a proposed payment under
6 subdivision (2).

7 (4) An applicant may include in a supplemental bid
8 modifications to the information submitted by the applicant
9 under:

10 (A) section 4(a)(1)(B)(iii) through 4(a)(1)(B)(v) of this
11 chapter; and

12 (B) section 4(a)(1)(C) of this chapter.

13 (5) A unit (as defined in IC 36-1-2-23) may not negotiate
14 directly with a licensed owner or permit holder submitting a
15 supplemental bid.

16 (d) If a supplemental bid is submitted under this section, the
17 commission is not required to consider only applications
18 accompanied by a supplemental bid. The commission may approve
19 an application that was not accompanied by a supplemental bid.

20 (e) After the commission makes a final decision under section 8
21 of this chapter, the commission must make public each
22 supplemental bid received under this section.

23 Sec. 8. (a) After issuing the informational summary required
24 under section 6(a)(2) of this chapter, and not later than April 15,
25 2027, the commission shall issue a final decision approving or
26 denying each application. The final decision must include written
27 findings explaining the decision.

28 (b) The commission may:

29 (1) approve only one (1) application under subsection (a); and

30 (2) deny all of the filed applications if the commission
31 determines that none of the applications serve the interests of
32 the state.

33 Sec. 9. (a) If the commission approves an application of a
34 licensed owner or permit holder to relocate gaming operations
35 under section 8 of this chapter, the commission:

36 (1) shall require the licensed owner or permit holder to pay to
37 the commission a fee of fifty million dollars (\$50,000,000) in
38 the manner described in subsection (b);

(2) shall require the licensed owner or permit holder to make a one (1) time payment in the total amount of thirty million dollars (\$30,000,000) to the city of Rising Sun and Ohio County, due on the date set by the commission under section 12 of this chapter for the license transfer; and

(3) may impose other requirements that the commission deems necessary and appropriate to protect the interest of the state and the person whose application is approved under section 8 of this chapter.

(b) 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 within thirty (30) days of the approval of the application under section 8 of this chapter. The four (4) remaining annual payments are each due on the anniversary date of the first payment.

(c) The commission shall deposit the fee received under subsection (a) in the state general fund.

Sec. 10. (a) The commission shall contract with an independent third party consultant to determine the fair market value of the Ohio County license. IC 5-22 does not apply to procurement by the commission with respect to the contract required under this subsection.

(b) The fair market value determined under subsection (a) must be disclosed to the public not later than October 1, 2026.

(c) This subsection does not apply if the commission approves an application to relocate gaming operations under section 8 of this chapter submitted by the current owner of the Ohio County license. The licensed owner or permit holder whose application was approved under section 8 of this chapter shall pay the amount determined under subsection (a) to the owner of the Ohio County license.

Sec. 11. (a) The commission may enforce the phasing and completion timelines to which the licensed owner or permit holder committed under section 4(a) of this chapter.

(b) If the licensed owner or permit holder whose application was approved by the commission under section 8 of this chapter sells or otherwise transfers the licensed owner's or permit holder's interest in the owner's license within ten (10) years from the date the

1 application was approved, the following apply:

2 (1) The licensed owner or permit holder shall pay a fee of fifty
3 million dollars (\$50,000,000) to the commission before the sale
4 or transfer of the license may be approved by the commission.
5 Any payment required under this subdivision shall be
6 deposited in the state general fund.

7 (2) If, at the time of the transfer of ownership, the five
8 hundred million dollar (\$500,000,000) investment to which the
9 licensed owner or permit holder committed under section
10 4(a)(1)(C) of this chapter has not been met, the person
11 acquiring the owner's license shall, not later than ten (10)
12 years from the date the application was approved by the
13 commission under section 8 of this chapter, invest in the
14 casino and nongaming amenities an amount that is at least
15 equal to the difference between five hundred million dollars
16 (\$500,000,000) and the amount actually invested by the person
17 transferring the owner's license.

18 Sec. 12. (a) The owner of the Ohio County license may continue
19 gambling operations on the riverboat in Ohio County:

20 (1) during the application, review, and approval process
21 under this chapter; and

22 (2) if an application is approved under section 8 of this
23 chapter, until one (1) day before the date the commission has
24 approved gambling operations to begin under the relocated
25 owner's license in Allen County, DeKalb County, Steuben
26 County, or Wayne County.

27 (b) If the commission approves an application to relocate
28 gaming operations under section 8 of this chapter, the following
29 apply:

30 (1) The owner of the Ohio County license shall cease gambling
31 operations on the riverboat in Ohio County not later than one
32 (1) day before the date the commission has approved
33 gambling operations to begin under the relocated owner's
34 license in Allen County, DeKalb County, Steuben County, or
35 Wayne County.

36 (2) After gambling operations cease on the riverboat in Ohio
37 County under subdivision (1), and before the date the
38 commission has approved gambling operations to begin under

the relocated owner's license, the commission shall promptly transfer the owner's license issued under IC 4-33-6-1(a) to the licensed owner or permit holder whose application was approved under section 8 of this chapter.

(3) The licensed owner or permit holder to whom the owner's license is transferred under subdivision (2) is authorized to begin gambling operations in a casino in Allen County, DeKalb County, Steuben County, or Wayne County in accordance with IC 4-33-6-1(a)(7) and this chapter."

Delete pages 5 and 6.

Page 7, delete lines 1 through 14.

Page 7, line 40, after "County" insert ", **DeKalb County, Steuben County, or Wayne County under IC 4-33-6.8**".

Page 9, line 12, delete "County." and insert "**County, DeKalb County, Steuben County, or Wayne County under IC 4-33-6.8**".

Page 9, line 15, delete "located in Allen County:" and insert ":".

Page 9, line 18, delete "Allen County." and insert "**the county in which the casino conducts gaming operations**".

Page 10, line 35, delete "or Allen County;" and insert ", **Allen County, DeKalb County, Steuben County, or Wayne County;**".

Page 13, line 35, delete "or Allen County." and insert ", **Allen County, DeKalb County, Steuben County, or Wayne County**".

Page 14, line 41, delete "or Allen County." and insert ", **Allen County, DeKalb County, Steuben County, or Wayne County**".

Page 15, line 30, delete "or Allen County." and insert ", **Allen County, DeKalb County, Steuben County, or Wayne County**".

Page 17, after line 30, begin a new paragraph and insert:

"SECTION 11. An emergency is declared for this act."

(Reference is to HB 1038 as introduced.)

and when so amended that said bill do pass.

Representative Manning