

HOUSE BILL No. 1347

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-33; IC 36-7.5.

Synopsis: Lake County Convention Center. Makes changes to the amount of supplemental wagering tax that the treasurer of state is required to pay to each riverboat operating in Gary. Makes changes to the distribution of wagering tax revenue to the city of Gary. Legalizes and validates bonds, notes, evidences of indebtedness, leases, or other written obligations issued or executed by or in the name of the: (1) Indiana finance authority; (2) development authority; and (3) Lake County Convention Center Authority (authority); as authorized or approved by resolution or ordinance adopted before February 28, 2026. Provides that the authority is established when the construction of the convention and event center is substantially completed so that the convention and event center can be used for its intended purpose. (Current law provides for the establishment of the authority upon the adoption of the proposal for the development, operation, and ownership of the Lake County convention and event center.) Requires a member appointed to the authority to be an Indiana resident. Provides that an attorney in active standing may not be appointed to the authority. Provides that the Lake County convention and event center reserve fund shall be administered by the Lake County commissioners until the authority is established. Repeals a provision that allocates deposits of Gary riverboat graduated wagering tax revenue.

Effective: Upon passage; February 28, 2026 (retroactive).

Slager

January 6, 2026, read first time and referred to Committee on Ways and Means.



Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

HOUSE BILL No. 1347

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

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

- 1 SECTION 1. IC 4-33-12-8, AS AMENDED BY P.L.144-2024,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 8. (a) This section applies to tax revenue
4 collected from a riverboat operating from Lake County.
5 (b) Except as provided by IC 6-3.1-20-7, the treasurer of state shall
6 quarterly pay the following amounts from the taxes collected during the
7 preceding calendar quarter from the riverboat operating from East
8 Chicago:
9 (1) The lesser of:
10 (A) eight hundred seventy-five thousand dollars (\$875,000);
11 or
12 (B) thirty-three and one-third percent (33 1/3%) of the
13 admissions tax and supplemental wagering tax collected by the
14 licensed owner during the preceding calendar quarter;
15 to the fiscal officer of the northwest Indiana regional development
16 authority to partially satisfy East Chicago's funding obligation to
17 the authority under IC 36-7.5-4-2.



(2) The lesser of:

(A) two hundred eighteen thousand seven hundred fifty dollars (\$218,750); or

(B) thirty-three and one-third percent (33 1/3%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the preceding calendar quarter; to the fiscal officer of the northwest Indiana regional development authority to partially satisfy Lake County's funding obligation to the authority under IC 36-7.5-4-2.

(3) Except as provided in section 9(k) of this chapter, the remainder, if any, of:

(A) thirty-three and one-third percent (33 1/3%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the preceding calendar quarter; minus
(B) the amount distributed to the northwest Indiana regional development authority under subdivision (1) for the calendar quarter;

must be paid to the city of East Chicago.

(4) Except as provided in section 9(k) of this chapter, the remainder, if any, of:

(A) thirty-three and one-third percent (33 1/3%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the preceding calendar quarter; minus
(B) the amount distributed to the northwest Indiana regional development authority under subdivision (2) for the calendar quarter;

must be paid to Lake County.

(5) Except as provided in section 9(k) of this chapter, three percent (3%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the preceding calendar quarter must be paid to the county convention and visitors bureau for Lake County.

(6) Except as provided in section 9(k) of this chapter, three hundred thirty-three thousandths percent (.333%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the preceding calendar quarter must be paid to the northern Indiana law enforcement training center.

(7) 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 the preceding calendar quarter must 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.

(8) 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 preceding calendar quarter must be paid to the division of mental health and addiction.

(9) 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 preceding calendar quarter must be paid to the state general fund.

(c) Except as provided by IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts from the taxes collected during the preceding calendar quarter from each riverboat operating in Gary:

(1) The lesser of:

(A) ~~four hundred thirty-seven thousand five hundred dollars (\$437,500);~~ **eight hundred seventy-five thousand dollars (\$875,000);** or

(B) thirty-three and one-third percent (33 1/3%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the preceding calendar quarter; to the fiscal officer of the northwest Indiana regional development authority to partially satisfy Gary's funding obligation to the authority under IC 36-7.5-4-2.

(2) The lesser of:

(A) ~~two hundred eighteen thousand seven hundred fifty dollars (\$218,750);~~ **four hundred thirty-seven thousand five hundred dollars (\$437,500);** or

(B) thirty-three and one-third percent (33 1/3%) of the admissions tax and supplemental wagering tax collected by the licensed owner during the preceding calendar quarter; to the fiscal officer of the northwest Indiana regional development authority to partially satisfy Lake County's funding obligation to the authority under IC 36-7.5-4-2.

(3) Except as provided in section 9(k) of this chapter, the remainder, if any, of:

(A) thirty-three and one-third percent (33 1/3%) of the admissions tax and supplemental wagering tax collected by the licensed owner of a riverboat operating in Gary during the preceding calendar quarter; minus

(B) the amount distributed to the northwest Indiana regional development authority under subdivision (1) for the calendar quarter;



1 must be paid to the city of Gary.

2 (4) Except as provided in section 9(k) of this chapter, the
3 remainder, if any, of:

4 (A) thirty-three and one-third percent (33 1/3%) of the
5 admissions tax and supplemental wagering tax collected by the
6 licensed owner of a riverboat operating in Gary during the
7 preceding calendar quarter; minus

8 (B) the amount distributed to the northwest Indiana regional
9 development authority under subdivision (2) for the calendar
10 quarter;

11 must be paid to Lake County.

12 (5) Except as provided in section 9(k) of this chapter, three
13 percent (3%) of the admissions tax and supplemental wagering
14 tax collected by the licensed owner of a riverboat operating in
15 Gary during the preceding calendar quarter must be paid to the
16 county convention and visitors bureau for Lake County.

17 (6) Except as provided in section 9(k) of this chapter, three
18 hundred thirty-three thousandths percent (.333%) of the
19 admissions tax and supplemental wagering tax collected by the
20 licensed owner of a riverboat operating in Gary during the
21 preceding calendar quarter must be paid to the northern Indiana
22 law enforcement training center.

23 (7) Except as provided in section 9(k) of this chapter, five percent
24 (5%) of the admissions tax and supplemental wagering tax
25 collected by the licensed owner of a riverboat operating in Gary
26 during the preceding calendar quarter must be paid to the state
27 fair commission for use in any activity that the commission is
28 authorized to carry out under IC 15-13-3.

29 (8) Except as provided in section 9(k) of this chapter, three and
30 thirty-three hundredths percent (3.33%) of the admissions tax and
31 supplemental wagering tax collected by the licensed owner of a
32 riverboat operating in Gary during the preceding calendar quarter
33 must be paid to the division of mental health and addiction.

34 (9) Twenty-one and six hundred sixty-seven thousandths percent
35 (21.667%) of the admissions tax and supplemental wagering tax
36 collected by the licensed owner of a riverboat operating in Gary
37 during the preceding calendar quarter must be paid to the state
38 general fund.

39 (d) Except as provided by IC 6-3.1-20-7, the treasurer of state shall
40 quarterly pay the following amounts from the taxes collected during the
41 preceding calendar quarter from the riverboat operating in Hammond:

42 (1) The lesser of:



- 1 (A) eight hundred seventy-five thousand dollars (\$875,000);
- 2 or
- 3 (B) thirty-three and one-third percent ($33\frac{1}{3}\%$) of the
- 4 admissions tax and supplemental wagering tax collected by the
- 5 licensed owner of a riverboat operating in Hammond during
- 6 the preceding calendar quarter;
- 7 to the fiscal officer of the northwest Indiana regional development
- 8 authority to partially satisfy Hammond's funding obligation to the
- 9 authority under IC 36-7.5-4-2.
- 10 (2) The lesser of:
- 11 (A) two hundred eighteen thousand seven hundred fifty dollars
- 12 (\$218,750); or
- 13 (B) thirty-three and one-third percent ($33\frac{1}{3}\%$) of the
- 14 admissions tax and supplemental wagering tax collected by the
- 15 licensed owner during the preceding calendar quarter;
- 16 to the fiscal officer of the northwest Indiana regional development
- 17 authority to partially satisfy Lake County's funding obligation to
- 18 the authority under IC 36-7.5-4-2.
- 19 (3) Except as provided in section 9(k) of this chapter, the
- 20 remainder, if any, of:
- 21 (A) thirty-three and one-third percent ($33\frac{1}{3}\%$) of the
- 22 admissions tax and supplemental wagering tax collected by the
- 23 licensed owner of the riverboat during the preceding calendar
- 24 quarter; minus
- 25 (B) the amount distributed to the northwest Indiana regional
- 26 development authority under subdivision (1) for the calendar
- 27 quarter;
- 28 must be paid to the city of Hammond.
- 29 (4) Except as provided in section 9(k) of this chapter, the
- 30 remainder, if any, of:
- 31 (A) thirty-three and one-third percent ($33\frac{1}{3}\%$) of the
- 32 admissions tax and supplemental wagering tax collected by the
- 33 licensed owner of the riverboat during the preceding calendar
- 34 quarter; minus
- 35 (B) the amount distributed to the northwest Indiana regional
- 36 development authority under subdivision (2) for the calendar
- 37 quarter;
- 38 must be paid to Lake County.
- 39 (5) Except as provided in section 9(k) of this chapter, three
- 40 percent (3%) of the admissions tax and supplemental wagering
- 41 tax collected by the licensed owner of the riverboat during the
- 42 preceding calendar quarter must be paid to the county convention



and visitors bureau for Lake County.

(6) Except as provided in section 9(k) of this chapter, three hundred thirty-three thousandths percent (.333%) of the admissions tax and supplemental wagering tax collected by the licensed owner of a riverboat during the preceding calendar quarter must be paid to the northern Indiana law enforcement training center.

(7) 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 of the riverboat during the preceding calendar quarter must 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.

(8) 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 for each person admitted to the riverboat during the preceding calendar quarter must be paid to the division of mental health and addiction.

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

SECTION 2. IC 4-33-13-2.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 2.5: (a) This section applies only to tax revenue:

(1) remitted by a licensed owner operating a riverboat sited at a location approved under IC 4-33-6-4.5; and

(2) collected under this chapter after June 30, 2025:

(b) Notwithstanding section 3 of this chapter, the department shall deposit from the tax revenue remitted under this chapter by a licensed owner operating a riverboat sited at a location approved under IC 4-33-6-4.5 amounts as follows:

(1) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2027, an amount equal to the amount deposited under IC 36-7.5-6-5(a) by the city of Gary in the blighted property demolition fund established by IC 36-7.5-6-4, up to three million dollars (\$3,000,000):

(2) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2045, an amount equal to the amount deposited under IC 36-7.5-7-5(c) by an entity in the Lake County economic development and convention fund established by IC 36-7.5-7-5, up to five million dollars (\$5,000,000):



(3) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2050, an amount equal to the amount deposited under IC 36-7.5-8-4 by the city of Gary, or on behalf of the city of Gary from any other source, in the Gary Metro Center station revitalization fund established by IC 36-7.5-8-3, up to three million dollars (\$3,000,000):

Any amount of tax revenue remitted under this chapter by a licensed owner operating a riverboat sited at a location approved under IC 4-33-6-4.5 in a state fiscal year that exceeds the amount required for the deposits in this subsection for the state fiscal year must be deposited in the state gaming fund under section 3 of this chapter:

(c) Budget committee review is required before any money may be:

(1) matched under subsection (b); and

(2) released to any of the following funds:

(A) The blighted property demolition fund established by IC 36-7.5-6-4.

(B) The Lake County economic development and convention fund established by IC 36-7.5-7-5.

(C) The Gary Metro Center station revitalization fund established by IC 36-7.5-8-3.

(d) The northwest Indiana regional development authority established by IC 36-7.5-2-1 shall provide any information to the department that the department determines is necessary for the department to carry out this section:

(e) This section expires July 1, 2050:

SECTION 3. IC 4-33-13-3, AS AMENDED BY P.L.195-2023, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Except as provided in section 2.5 of this chapter, The department shall deposit tax revenue collected under this chapter in the state gaming fund.

SECTION 4. IC 4-33-13-5, AS AMENDED BY P.L.9-2024, SECTION 109, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. Excluding funds that are appropriated in the biennial budget act from the state gaming fund to the commission for purposes of administering this article, each month the state comptroller 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 (d):

(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 (d).

(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 (d).

(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 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 (d).

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

(A) **except as provided in clauses (C) and (D)**, to the city, **excluding the city of Gary**, 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);

(ii) a city located in Lake County, **excluding the city of Gary**; 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);



(C) with respect to twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner located in the city of Gary, each July through and including April of the following year of each state fiscal year, beginning in July 2026, an amount equal to the lesser of:

- (i) five hundred thousand dollars (\$500,000); or
- (ii) twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner located in the city of Gary;

to be deposited in the Lake County economic development and convention fund established by IC 36-7.5-7-5 to satisfy Gary's funding obligation to the northwest Indiana regional development authority under IC 36-7.5-7-5. For purposes of this subdivision, the state comptroller shall treat any amount distributed under this subdivision to the northwest Indiana regional development authority as an amount constructively received by the city of Gary; or

(D) after the distribution described in clause (C), any remainder of:

- (i) the twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner located in the city of Gary; minus
- (ii) the amount distributed to the northwest Indiana regional development authority under clause (C);

to the city of Gary.

(3) This subdivision expires July 1, 2050. The following apply before July 1, 2050:

(A) After making the distributions described in subdivisions (1) and (2), the remaining tax revenue remitted by each licensed owner shall be distributed as follows and in the following order of priority:

- (i) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2045, an amount equal to the amount deposited under IC 36-7.5-7-5(c) by the approved entity in the Lake County economic development and convention fund established by IC 36-7.5-7-5, up to five million dollars (\$5,000,000). However, if the required budget committee review under clause (B) with respect to the initial match and release to the Lake County economic development and convention fund does not occur until the state fiscal year beginning



after June 30, 2026, and ending before July 1, 2027, the amount deposited under this item shall continue through each state fiscal year ending before July 1, 2046.

(ii) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2027, an amount equal to the amount deposited under IC 36-7.5-6-5(a) by the city of Gary in the blighted property demolition fund established by IC 36-7.5-6-4, up to three million dollars (\$3,000,000).

(iii) In each state fiscal year beginning after June 30, 2025, and ending before July 1, 2050, an amount equal to the amount deposited under IC 36-7.5-8-4 by the city of Gary, or on behalf of the city of Gary from any other source, in the Gary Metro Center station revitalization fund established by IC 36-7.5-8-3, up to three million dollars (\$3,000,000).

(B) Budget committee review is required before any money may initially be matched under clause (A) and released to any of the following funds:

(i) The Lake County economic development and convention fund established by IC 36-7.5-7-5.

(ii) The blighted property demolition fund established by IC 36-7.5-6-4.

(iii) The Gary Metro Center station revitalization fund established by IC 36-7.5-8-3.

(C) In each state fiscal year after budget committee review of the initial match and release to the funds under clause (B), money shall be matched under clause (A) and released to any of the following funds subject to the following conditions:

(i) The Lake County economic development and convention fund established by IC 36-7.5-7-5, until the state budget director shall have received a certificate from the public finance director appointed under IC 5-1.2-3-6 that all indebtedness of the Indiana finance authority and the northwest Indiana regional development authority which is secured by the fund has been repaid.

(ii) The blighted property demolition fund established by IC 36-7.5-6-4, upon the state budget director's receipt of a certificate from the fiscal officer of the northwest Indiana regional development authority of the amount



deposited under IC 36-7.5-6-5(a) by the city of Gary in the blighted property demolition fund established by IC 36-7.5-6-4 during the state fiscal year.

(iii) The Gary Metro Center station revitalization fund established by IC 36-7.5-8-3, upon the state budget director's receipt of a certificate from the fiscal officer of the northwest Indiana regional development authority of the amount deposited under IC 36-7.5-8-4 by the city of Gary, or on behalf of the city of Gary from any other source, in the Gary Metro Center station revitalization fund established by IC 36-7.5-8-3 during the state fiscal year.

(D) The northwest Indiana regional development authority established by IC 36-7.5-2-1 shall provide any information to the department that the department determines is necessary for the department to carry out this subsection.

(3) (4) 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 state comptroller shall make the transfer required by this subdivision on or before the fifteenth day of the month based on revenue received during the preceding month for deposit in the state gaming fund. Specifically, the state comptroller may transfer the tax revenue received by the state in a month to the state general fund in the immediately following month according to this subdivision.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, 2019. Excluding funds that are appropriated in the biennial budget act from the state gaming fund to the commission for purposes of administering this article, each month the state comptroller 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.

(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



1 taxing units (as defined in IC 6-1.1-1-21) in the county under
 2 a formula established by the county fiscal body after receiving
 3 a recommendation from the county executive.

4 (E) Five and three-tenths percent (5.3%) shall be distributed
 5 quarterly to the county treasurer of Crawford County for
 6 appropriation by the county fiscal body after receiving a
 7 recommendation from the county executive. The county fiscal
 8 body for the receiving county shall provide for the distribution
 9 of the money received under this clause to one (1) or more
 10 taxing units (as defined in IC 6-1.1-1-21) in the county under
 11 a formula established by the county fiscal body after receiving
 12 a recommendation from the county executive.

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

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

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

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

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

36 To the extent possible, the Indiana economic development
 37 corporation shall provide for the transfer under item (i) to be
 38 made in four (4) equal installments. However, an amount
 39 sufficient to meet current obligations to retire or refinance
 40 indebtedness or leases for which tax revenues under this
 41 section were pledged before January 1, 2015, by the Orange
 42 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 state comptroller shall determine the total amount of money paid by the state comptroller 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 state comptroller 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 state comptroller 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) Except as provided in subsections (k) and (l), before August 15 of each year, the state comptroller 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 (g), 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.

(e) Money received by a city, town, or county under subsection (d) or (g) 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



1 does not reduce the maximum levy of the city, town, or county
2 under IC 6-1.1-18.5).

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

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

8 (4) For police and fire pensions.

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

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

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

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

29 (2) the sum of:

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

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

35 (g) This subsection applies only to Marion County. The county
36 auditor shall distribute the money received by the county under
37 subsection (d) as follows:

38 (1) To each city, other than the consolidated city, located in the
39 county according to the ratio that the city's population bears to the
40 total population of the county.

41 (2) To each town located in the county according to the ratio that
42 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.

(h) 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 (f) 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 (f) exceeds the maximum amount determined under this subsection, the amount distributed to an entity under subsection (f) 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.

(i) This subsection applies to a supplemental distribution, if any, payable to Lake County, Hammond, Gary, or East Chicago under subsections (f) and (h). Beginning in July 2016, the state comptroller 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 state comptroller shall distribute the amounts deducted under this subsection to the northwest Indiana ~~redevelopment~~ **regional development** 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.

(j) 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 (in the case of a school corporation, the school corporation may deposit the money into either the education fund (IC 20-40-2) or the operations fund (IC 20-40-18)) 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)(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)(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)(3)(B) must be used for the purposes specified in subsection (b)(3)(B).

(k) After June 30, 2020, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (d) 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.

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

SECTION 5. IC 4-33-13-5.4, AS ADDED BY P.L.169-2025, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.4. (a) This section applies to each state fiscal year beginning after June 30, 2026.

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

(c) As used in this section, "supplemental payment statute" refers to IC 4-33-13-5.3, as in effect on January 1, 2025.

(d) Subject to subsections (i) and (j), a qualified city is entitled to supplemental payments under this section for amounts not paid in state fiscal years 2022, 2023, 2024, and 2025 under the supplemental payment statute. The state comptroller shall determine the total amount of supplemental payments to which each qualified city is entitled as follows:

(1) In the case of East Chicago, an amount equal to the sum of the following:

(A) Six million four hundred seventy-four thousand two hundred seventy-four dollars (\$6,474,274).

(B) The amount, if any, for state fiscal year 2025 for which East Chicago is eligible under the supplemental payment statute.

(2) In the case of Michigan City, an amount equal to the sum of the following:

(A) Five million seven hundred fifty-two thousand one hundred twenty-five dollars (\$5,752,125).

(B) The amount, if any, for state fiscal year 2025 for which Michigan City is eligible under the supplemental payment statute.

(3) In the case of Hammond, an amount equal to the amount, if any, for state fiscal year 2025 for which Hammond is eligible under the supplemental payment statute.

(e) Subject to subsections (j) and (l), each month, **after deducting the amount required under section 5(a)(2)(C) of this chapter**, the state comptroller shall deduct an amount otherwise payable to Gary under section ~~5(a)(2)~~ **5(a)(2)(D)** of this chapter, if any, for the purpose of this chapter, not to exceed a total of two million dollars (\$2,000,000)



1 for the state fiscal year.

2 (f) Subject to subsections (i), (j), and (l), the state comptroller shall
3 annually distribute supplemental payments to each qualified city, on a
4 monthly basis, based on:

5 (1) the amount deducted under subsection (e) in the preceding
6 month; and

7 (2) one-twelfth (1/12) of the amount appropriated from the state
8 general fund under subsection (k).

9 (g) Money for the supplemental payments is sourced from:

10 (1) the total amount deducted under subsection (e) in the state
11 fiscal year; plus

12 (2) money appropriated by the general assembly for the state
13 fiscal year for the purpose of making supplemental payments
14 under this section.

15 (h) The state comptroller shall make a supplemental payment in
16 each state fiscal year to each qualified city in an amount determined
17 under the last STEP of the following formula:

18 STEP ONE: Divide the:

19 (A) total amount determined under subsection (d) for the
20 qualified city; by

21 (B) aggregate amount of supplemental payments for all
22 qualified cities determined under subsection (d).

23 STEP TWO: Multiply the:

24 (A) STEP ONE result; by

25 (B) amount of money to be used for supplemental payments in
26 the state fiscal year under subsections (f) and (g).

27 (i) A qualified city may not receive a supplemental payment in
28 excess of the amount determined under subsection (d) for the qualified
29 city.

30 (j) The total amount of supplemental payments made to qualified
31 cities in all state fiscal years may not exceed the aggregate amount of
32 supplemental payments determined under subsection (d).

33 (k) There is appropriated from the state general fund to the gaming
34 fund two million dollars (\$2,000,000) in each state fiscal year
35 beginning after June 30, 2026, which may only be used to make
36 supplemental payments. Any amount not needed to make a
37 supplemental payment in a state fiscal year reverts to the state general
38 fund at the close of the state fiscal year and may not be used for any
39 other purpose.

40 (l) After the total amount of all supplemental payments to qualified
41 cities determined in subsection (d) have been made under this chapter,
42 the state comptroller shall continue, each month, **after deducting the**



amount required under section 5(a)(2)(C) of this chapter, to deduct an amount otherwise payable to Gary under section ~~5(a)(2)~~ **5(a)(2)(D)** of this chapter as set forth in subsection (e) not to exceed a total of two million dollars (\$2,000,000) for the state fiscal year for the purpose of repaying to the state the total amounts appropriated from the state general fund under subsection (k) and paid to qualified cites as supplemental payments under this chapter. The state comptroller shall cease the deductions under this subsection on the date that the total amounts appropriated from the state general fund under subsection (k) and paid to qualified cites have been repaid.

(m) This section expires July 1, 2039.

SECTION 6. IC 36-7.5-2-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE FEBRUARY 28, 2026 (RETROACTIVE)]: **Sec. 10.5.**

(a) All bonds, notes, evidences of indebtedness, leases, or other written obligations issued or executed under this article by or in the name of the:

- (1) Indiana finance authority;**
- (2) development authority; and**
- (3) city of Gary, the Lake County board of commissioners, or the Lake County convention center authority established by IC 36-7.5-7-9;**

as authorized or approved by resolution or ordinance adopted by the entity before February 28, 2026, are hereby legalized and declared valid.

(b) Any pledge, dedication or designation of revenues, conveyance, or mortgage securing the bonds, notes, evidences of indebtedness, leases, or other written obligations issued or executed under this article by or in the name of the:

- (1) Indiana finance authority;**
- (2) development authority; and**
- (3) city of Gary, the Lake County board of commissioners, or the Lake County convention center authority established by IC 36-7.5-7-9;**

as authorized or approved by resolution or ordinance adopted by the entity before February 28, 2026, are hereby legalized and declared valid.

(c) Any resolutions adopted, proceedings had, and actions taken under this article by the:

- (1) Indiana finance authority;**
- (2) development authority; and**
- (3) city of Gary, the Lake County board of commissioners, or**



1 the Lake County convention center authority established by
 2 IC 36-7.5-7-9;
 3 before February 28, 2026, under which the bonds, notes, evidences
 4 of indebtedness, leases, or other written obligations were or will be
 5 issued or under which the pledge, dedication or designation of
 6 revenues, conveyance, or mortgage was or will be granted are
 7 hereby legalized and declared valid.

8 (d) An action to contest the validity of any action taken under
 9 this article may not be brought after the fifteenth day following the
 10 date the resolution of the:

- 11 (1) Indiana finance authority;
- 12 (2) development authority; or
- 13 (3) city of Gary, the Lake County board of commissioners, or
- 14 the Lake County convention center authority established by
- 15 IC 36-7.5-7-9;

16 is adopted approving the action taken.

17 (e) If an action challenging an action taken under this article is
 18 not brought within the time prescribed by this section, the lease,
 19 contract, bonds, notes, obligations, or other action taken shall be
 20 conclusively presumed to be fully authorized and valid under the
 21 laws of the state and any person is estopped from further
 22 questioning the authorization, validity, execution, delivery, or
 23 issuance of the lease, contract, bonds, notes, obligations, or other
 24 action.

25 SECTION 7. IC 36-7.5-6-4, AS ADDED BY P.L.195-2023,
 26 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 UPON PASSAGE]: Sec. 4. (a) The blighted property demolition fund
 28 is established to provide grants to the city of Gary to demolish qualified
 29 properties.

30 (b) The fund consists of:

- 31 (1) appropriations from the general assembly;
- 32 (2) available federal funds;
- 33 (3) transfers of money under ~~IC 4-33-13-2.5(b)(1);~~
- 34 **IC 4-33-13-5(a)(3)(C);**
- 35 (4) deposits required under section 5(a) and 5(b) of this chapter;
- 36 and
- 37 (5) gifts, grants, donations, or other contributions from any other
- 38 public or private source.

39 (c) The development authority shall administer the fund.

40 (d) The treasurer of state shall invest the money in the fund not
 41 currently needed to meet the obligations of the fund in the same
 42 manner as other public funds may be invested.



(e) The money remaining in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) Money in the fund is continuously appropriated for the purposes of this chapter.

SECTION 8. IC 36-7.5-7-5, AS ADDED BY P.L.195-2023, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The Lake County economic development and convention fund is established. The fund shall be administered by the development authority.

(b) The convention fund consists of:

- (1) deposits under ~~IC 4-33-13-2.5(b)(2)~~; **IC 4-33-13-5(a)(2)(C)**;
- (2) deposits under subsection (c);
- (3) appropriations to the fund;
- (4) gifts, grants, loans, bond proceeds, and other money received for deposit in the fund; and
- (5) other deposits or transfers of funds from local units located in Lake County.

(c) If a proposal is approved as provided under this chapter, each state fiscal year, beginning with the first state fiscal year that begins after the proposal is approved, the approved entity shall deposit up to five million dollars (\$5,000,000) in the convention fund. **The obligation of the city of Gary, as the approved entity, for each state fiscal year under this subsection is satisfied by the distributions made by the state comptroller on behalf of the city of Gary under IC 4-33-13-5(a)(2)(C). However, if the total amount distributed under IC 4-33-13-5(a)(2)(C) on behalf of the city of Gary with respect to a particular state fiscal year is less than the amount required by this subsection, the fiscal officer of the city of Gary shall transfer the amount of the shortfall to the convention fund from any source of revenue available to the city of Gary other than property taxes. The state comptroller shall certify the amount of any shortfall to the fiscal officer of the city of Gary after making the distribution required by IC 4-33-13-5(a)(2)(C) on behalf of the city of Gary with respect to a particular state fiscal year.**

(d) The development authority shall administer money, including determining amounts to be used and the specific purposes, from the convention fund.

(e) Except as provided in section 8(d) of this chapter, the money remaining in the convention fund at the end of a state fiscal year does not revert to the state general fund.

(f) Money in the convention fund is continuously appropriated for the purposes of this chapter.



(g) Subject to budget committee review, but except as provided in subsection (i), the development authority may receive reimbursement for expenses incurred and a reasonable and customary amount for providing administrative services from money in the convention fund.

(h) The development authority shall quarterly report to the budget committee on all uses of money in the convention fund and the status of the convention and event center project.

(i) The development authority shall conduct an updated feasibility study related to a potential convention and event center located in Lake County. The development authority shall be reimbursed for the costs of obtaining the updated feasibility study from money in the fund. Budget committee review is not required for reimbursement under this subsection.

SECTION 9. IC 36-7.5-7-9, AS ADDED BY P.L.195-2023, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) If a proposal is approved under section 8 of this chapter, following the approval of the proposal, **and when the construction of the convention and event center is substantially completed so that the convention and event center can be used for its intended purpose**, the Lake County convention center authority is established for the purpose of holding an equal share of ownership of the Lake County convention and event center with the entity whose proposal is approved and for providing general oversight of the upkeep, improvements, and management team as outlined in the accepted proposal. Subject to subsection (e), the convention center authority consists of seven (7) members, appointed as follows:

(1) Three (3) members appointed by the entity whose proposal is approved under section 8 of this chapter.

(2) Three (3) members appointed by the Lake County board of commissioners.

(3) One (1) member appointed by the governor.

Individuals appointed to the convention center authority must be **Indiana residents and** have professional experience in commercial facility management. **An appointing authority may not appoint an attorney in active standing as a member of the authority.**

(b) The term of office for a member of the board is two (2) years. The term begins July 1 of the year in which the member is appointed and ends on June 30 of the second year following the member's appointment. A member may be reappointed after the member's term has expired.

(c) A vacancy in membership must be filled in the same manner as the original appointment. Appointments made to fill a vacancy that



occurs before the expiration of a term are for the remainder of the unexpired term.

(d) The member appointed under subsection (a)(3) shall serve as the chairperson of the convention center authority. The convention center authority shall meet at the call of the chairperson.

(e) An individual may not be appointed to the convention center authority if the individual is a party to a contract or agreement with the entity whose proposal is approved, is employed by the entity whose proposal is approved, or otherwise has a direct or indirect financial interest in the entity whose proposal is approved under this chapter.

SECTION 10. IC 36-7.5-7-10, AS ADDED BY P.L.195-2023, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) A local county fund known as the Lake County convention and event center reserve fund is established to pay for:

- (1) additions;
- (2) refurbishment; and
- (3) budget shortfalls or other unusual costs;

of a convention and event center that is constructed using money from the convention fund under this chapter.

(b) The reserve fund consists of:

- (1) transfers under IC 6-9-2-1.5(c); and
- (2) gifts, grants, donations, or other contributions from any other public or private source.

(c) The Lake County commissioners shall administer the reserve fund until the convention center authority is established. Thereafter, the convention center authority shall administer the reserve fund.

SECTION 11. IC 36-7.5-8-3, AS ADDED BY P.L.195-2023, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The Gary Metro Center station revitalization fund is established to provide funding for the Gary Metro Center station revitalization project.

(b) The fund consists of:

- (1) appropriations from the general assembly;
- (2) available federal funds;
- (3) transfers of money under ~~IC 4-33-13-2.5(b)(3);~~
IC 4-33-13-5(a)(3)(C);
- (4) deposits required under section 4 of this chapter; and
- (5) gifts, grants, donations, or other contributions from any other public or private source.

(c) The development authority shall administer the fund.



1 (d) The money remaining in the fund at the end of a state fiscal year
2 does not revert to the state general fund.

3 (e) Money in the fund is continuously appropriated for the purposes
4 of this chapter.

5 (f) Subject to budget committee review, the development authority
6 may receive reimbursement for expenses incurred and a reasonable and
7 customary amount for providing administrative services from money
8 in the fund.

9 **SECTION 12. An emergency is declared for this act.**

